



# IOWA ADMINISTRATIVE BULLETIN

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NUMBER 18

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## PREFACE

The Iowa Administrative Bulletin is published biweekly in pamphlet form pursuant to Iowa Code chapters 2B and 17A and contains Notices of Intended Action and rules adopted by state agencies.

It also contains Proclamations and Executive Orders of the Governor which are general and permanent in nature; Regulatory Analyses; effective date delays and objections filed by the Administrative Rules Review Committee; Agenda for monthly Administrative Rules Review Committee meetings; and other materials deemed fitting and proper by the Administrative Rules Review Committee.

The Bulletin may also contain public funds interest rates [12C.6]; workers' compensation rate filings [515A.6(7)]; usury rates [535.2(3)“a”]; agricultural credit corporation maximum loan rates [535.12]; and regional banking—notice of application and hearing [524.1905(2)].

**PLEASE NOTE:** *Italics* indicate new material added to existing rules; ~~strike-through letters~~ indicate deleted material.

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**CITATION of Administrative Rules**

The Iowa Administrative Code shall be cited as (agency identification number) IAC (chapter, rule, subrule, lettered paragraph, or numbered subparagraph).

441 IAC 79	(Chapter)
441 IAC 79.1(249A)	(Rule)
441 IAC 79.1(1)	(Subrule)
441 IAC 79.1(1)"a"	(Paragraph)
441 IAC 79.1(1)"a"(1)	(Subparagraph)

The Iowa Administrative Bulletin shall be cited as IAB (volume), (number), (publication date), (page number), (ARC number).

IAB Vol. XII, No. 23 (5/16/90) p. 2050, ARC 872A

## Schedule for Rule Making 2005

NOTICE SUBMISSION DEADLINE	NOTICE PUB. DATE	HEARING OR COMMENTS 20 DAYS	FIRST POSSIBLE ADOPTION DATE 35 DAYS	ADOPTED FILING DEADLINE	ADOPTED PUB. DATE	FIRST POSSIBLE EFFECTIVE DATE	POSSIBLE EXPIRATION OF NOTICE 180 DAYS
Dec. 31 '04	Jan. 19 '05	Feb. 8 '05	Feb. 23 '05	Feb. 25 '05	Mar. 16 '05	Apr. 20 '05	July 18 '05
Jan. 14 '05	Feb. 2	Feb. 22	Mar. 9	Mar. 11	Mar. 30	May 4	Aug. 1
Jan. 28	Feb. 16	Mar. 8	Mar. 23	Mar. 25	Apr. 13	May 18	Aug. 15
Feb. 11	Mar. 2	Mar. 22	Apr. 6	Apr. 8	Apr. 27	June 1	Aug. 29
Feb. 25	Mar. 16	Apr. 5	Apr. 20	Apr. 22	May 11	June 15	Sept. 12
Mar. 11	Mar. 30	Apr. 19	May 4	May 6	May 25	June 29	Sept. 26
Mar. 25	Apr. 13	May 3	May 18	***May 18***	June 8	July 13	Oct. 10
Apr. 8	Apr. 27	May 17	June 1	June 3	June 22	July 27	Oct. 24
Apr. 22	May 11	May 31	June 15	June 17	July 6	Aug. 10	Nov. 7
May 6	May 25	June 14	June 29	***June 29***	July 20	Aug. 24	Nov. 21
***May 18***	June 8	June 28	July 13	July 15	Aug. 3	Sept. 7	Dec. 5
June 3	June 22	July 12	July 27	July 29	Aug. 17	Sept. 21	Dec. 19
June 17	July 6	July 26	Aug. 10	Aug. 12	Aug. 31	Oct. 5	Jan. 2 '06
***June 29***	July 20	Aug. 9	Aug. 24	***Aug. 24***	Sept. 14	Oct. 19	Jan. 16 '06
July 15	Aug. 3	Aug. 23	Sept. 7	Sept. 9	Sept. 28	Nov. 2	Jan. 30 '06
July 29	Aug. 17	Sept. 6	Sept. 21	Sept. 23	Oct. 12	Nov. 16	Feb. 13 '06
Aug. 12	Aug. 31	Sept. 20	Oct. 5	Oct. 7	Oct. 26	Nov. 30	Feb. 27 '06
***Aug. 24***	Sept. 14	Oct. 4	Oct. 19	Oct. 21	Nov. 9	Dec. 14	Mar. 13 '06
Sept. 9	Sept. 28	Oct. 18	Nov. 2	Nov. 4	Nov. 23	Dec. 28	Mar. 27 '06
Sept. 23	Oct. 12	Nov. 1	Nov. 16	***Nov. 16***	Dec. 7	Jan. 11 '06	Apr. 10 '06
Oct. 7	Oct. 26	Nov. 15	Nov. 30	Dec. 2	Dec. 21	Jan. 25 '06	Apr. 24 '06
Oct. 21	Nov. 9	Nov. 29	Dec. 14	***Dec. 14***	Jan. 4 '06	Feb. 8 '06	May 8 '06
Nov. 4	Nov. 23	Dec. 13	Dec. 28	Dec. 30	Jan. 18 '06	Feb. 22 '06	May 22 '06
***Nov. 16***	Dec. 7	Dec. 27	Jan. 11 '06	Jan. 13 '06	Feb. 1 '06	Mar. 8 '06	June 5 '06
Dec. 2	Dec. 21	Jan. 10 '06	Jan. 25 '06	Jan. 27 '06	Feb. 15 '06	Mar. 22 '06	June 19 '06
***Dec. 14***	Jan. 4 '06	Jan. 24 '06	Feb. 8 '06	Feb. 10 '06	Mar. 1 '06	Apr. 5 '06	July 3 '06
Dec. 30	Jan. 18 '06	Feb. 7 '06	Feb. 22 '06	Feb. 24 '06	Mar. 15 '06	Apr. 19 '06	July 17 '06

### PRINTING SCHEDULE FOR IAB

<u>ISSUE NUMBER</u>	<u>SUBMISSION DEADLINE</u>	<u>ISSUE DATE</u>
20	Friday, March 11, 2005	March 30, 2005
21	Friday, March 25, 2005	April 13, 2005
22	Friday, April 8, 2005	April 27, 2005

PLEASE NOTE:

Rules will not be accepted after **12 o'clock noon** on the Friday filing deadline days unless prior approval has been received from the Administrative Rules Coordinator's office.

If the filing deadline falls on a legal holiday, submissions made on the following Monday will be accepted.

\*\*\*Note change of filing deadline\*\*\*

## PUBLICATION PROCEDURES

TO: Administrative Rules Coordinators and Text Processors of State Agencies  
FROM: Kathleen K. West, Iowa Administrative Code Editor  
SUBJECT: Publication of Rules in Iowa Administrative Bulletin

The Administrative Code Division uses QuickSilver XML Publisher, version 2.0.0, to publish the Iowa Administrative Bulletin and can import documents directly from most other word processing systems, including Microsoft Word, Word for Windows (Word 7 or earlier), and WordPerfect.

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2. Alternatively, you may send a PC-compatible diskette of the rule making. Please indicate on each diskette the following information: agency name, file name, format used for exporting, and chapter(s) amended. Diskettes may be delivered to the Administrative Code Division, Third Floor West, Ola Babcock Miller Building, or included with the documents submitted to the Governor's Administrative Rules Coordinator.

Please note that changes made prior to publication of the rule-making documents are reflected on the hard copy returned to agencies, but not on the diskettes; diskettes are returned unchanged.

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The Administrative Rules Review Committee will hold a special meeting on Friday, March 4, 2005, at 9 a.m. in Room 22, State Capitol, Des Moines, Iowa. The following rules will be reviewed:

**NOTE: See also Agenda published in the February 16, 2005, Iowa Administrative Bulletin.**

#### **ADMINISTRATIVE SERVICES DEPARTMENT[11]**

Department organization, 1.2(4), 1.3, 1.4(1)“a” to “e,” 1.4(2)“a” to “c,”

- 1.4(3) to 1.4(6), Notice **ARC 4008B**, also Filed Emergency **ARC 4009B** ..... 3/2/05  
 Selling of goods and services, 1.7, 66.2, Notice **ARC 3776B** Terminated **ARC 4012B** ..... 3/2/05  
 Customer councils, 10.5(1), 10.5(3), 10.6(3), 10.7(2), Filed Emergency After Notice **ARC 4011B** ..... 3/2/05

#### **AGRICULTURE AND LAND STEWARDSHIP DEPARTMENT[21]**

- Cottonseed product control, 41.12, Filed **ARC 4027B** ..... 3/2/05  
 Agricultural liming—egg shells, 43.40, Filed **ARC 4026B** ..... 3/2/05

#### **BANKING DIVISION[187]**

COMMERCE DEPARTMENT[181]“umbrella”

Organization, records, investment and lending powers, satellite terminals,

- 1.2 to 1.4, 2.12(3), 2.13, ch 4 title, 4.1 to 4.5, 7.15, 7.15(2), 7.15(8),  
 8.8, 8.9, 9.2(1)“j,” 9.2(2) to 9.2(4), 9.2(6), 9.2(7), 9.2(9), 10.5(1), 10.6,  
 11.12(3), 11.12(5), Filed **ARC 4021B** ..... 3/2/05

#### **ELDER AFFAIRS DEPARTMENT[321]**

- Adult day services programs, 24.1, 24.30, Notice **ARC 3875B** Terminated **ARC 4022B** ..... 3/2/05  
 Assisted living programs, 25.1, 25.2, 25.22(3)“t,” 25.29, Notice **ARC 3878B** Terminated **ARC 4034B** ..... 3/2/05  
 Elder group homes, 29.1, 29.9, Notice **ARC 3874B** Terminated **ARC 4035B** ..... 3/2/05

#### **HUMAN SERVICES DEPARTMENT[441]**

Child welfare targeted case management services; community care,

- 7.1, ch 186, Filed Emergency After Notice **ARC 4016B** ..... 3/2/05  
 State supplementary assistance—annual adjustments to eligibility and payment levels,  
 51.4(1), 51.7, 52.1(1) to 52.1(3), 52.1(3)“a”(2), Filed **ARC 4017B** ..... 3/2/05  
 Iowa refugee services foundation, 61.18, Filed **ARC 4018B** ..... 3/2/05  
 Reporting requirements for dependent adult abuse, 176.1, 176.4, 176.16(3), Notice **ARC 4014B** ..... 3/2/05  
 Family-centered supervision services, 182.1, 182.2(1),  
Notice **ARC 4013B**, also Filed Emergency **ARC 4019B** ..... 3/2/05  
 Subsidized adoptions, 201.5(2)“a” and “b,” Notice **ARC 4015B** ..... 3/2/05

#### **INSURANCE DIVISION[191]**

COMMERCE DEPARTMENT[181]“umbrella”

- Licensing of insurance producers, 10.4(6), 10.7(1), 10.7(2), Notice **ARC 4023B** ..... 3/2/05  
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 Medicare supplement insurance minimum standards,  
 37.15(4)“d,” Filed Without Notice **ARC 4024B** ..... 3/2/05  
 Universal life insurance, adopt ch 92, Notice **ARC 4025B** ..... 3/2/05

#### **IOWA FINANCE AUTHORITY[265]**

ECONOMIC DEVELOPMENT, IOWA DEPARTMENT OF[261]“umbrella”

- Iowa aftercare services rent subsidy program, adopt ch 22, Filed **ARC 4020B** ..... 3/2/05

#### **LATINO AFFAIRS DIVISION[433]**

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- Qualification of language interpreters, ch 2, Notice **ARC 4030B** ..... 3/2/05

#### **NATURAL RESOURCE COMMISSION[571]**

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- Inspection of permanently moored vessels, adopt ch 48, Notice **ARC 4031B** ..... 3/2/05  
 Nonresident deer hunting, 94.8(3), 94.8(4), Filed **ARC 4032B** ..... 3/2/05  
 Deer population management areas, ch 105, Notice **ARC 4033B** ..... 3/2/05

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PUBLIC HEALTH DEPARTMENT[641]“umbrella”

- Cosmetology, 60.1, 60.2(1)“a,” 60.2(3)“a,” 60.4 to 60.7, 60.7“3,”  
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**UTILITIES DIVISION[199]**

COMMERCE DEPARTMENT[181]"umbrella"

Lifeline and link-up programs, 39.3(4), 39.3(5), Notice **ARC 4028B** ..... 3/2/05

## **ADMINISTRATIVE RULES REVIEW COMMITTEE MEMBERS**

Regular statutory meetings are held the second Tuesday of each month at the seat of government as provided in Iowa Code section 17A.8. A special meeting may be called by the Chair at any place in the state and at any time.

**EDITOR'S NOTE: Terms ending April 30, 2007.**

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Senator Michael Connolly  
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AGENCY	HEARING LOCATION	DATE AND TIME OF HEARING
<b>BLIND, DEPARTMENT FOR THE[111]</b>		
Department facility operations, 1.4, 1.13, 7.17 IAB 2/16/05 <b>ARC 3984B</b>	Director's Conference Room, First Floor 524 Fourth St. Des Moines, Iowa	March 8, 2005 2 p.m.
<b>EDUCATION DEPARTMENT[281]</b>		
Agency procedure for rule making, 2.7(1), 2.18 IAB 2/16/05 <b>ARC 3983B</b>	State Board Room, Second Floor Grimes State Office Bldg. Des Moines, Iowa	March 8, 2005 11 a.m.
Local option sales and services tax for school infrastructure, 96.1, 96.4 to 96.8 IAB 2/16/05 <b>ARC 3978B</b> (ICN Network)	Grimes State Office Bldg. Des Moines, Iowa	March 9, 2005 12 noon
	AEA 1 1400 Second St. Elkader, Iowa	March 9, 2005 12 noon
	AEA 2 3712 Cedar Heights Dr. Cedar Falls, Iowa	March 9, 2005 12 noon
	AEA 4 1382 Fourth Ave. NE Sioux Center, Iowa	March 9, 2005 12 noon
	Fort Dodge High School 104 S. 17th St. Fort Dodge, Iowa	March 9, 2005 12 noon
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	Sioux City Central Campus 1121 Jackson St. Sioux City, Iowa	March 9, 2005 12 noon
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	AEA 14 1405 N. Lincoln Creston, Iowa	March 9, 2005 12 noon
	AEA 15 2814 N. Court St. Ottumwa, Iowa	March 9, 2005 12 noon



**EDUCATION DEPARTMENT[281] (Cont'd)**  
**(ICN Network)**

AEA 16 3601 W. Avenue Rd. Burlington, Iowa	March 9, 2005 12 noon
AEA 8 Highway 18 and Second St. Cylinder, Iowa	March 9, 2005 12 noon
AEA 267 9184B 265th St. Clear Lake, Iowa	March 9, 2005 12 noon
AEA 267 909 S. 12th St. Marshalltown, Iowa	March 9, 2005 12 noon

**ENVIRONMENTAL PROTECTION COMMISSION[567]**

Air quality, 20.1, 22.4 to 22.6, 31.1, ch 33 IAB 2/16/05 <b>ARC 4005B</b>	Conference Rooms Air Quality Bureau 7900 Hickman Rd. Urbandale, Iowa	March 18, 2005 10 a.m.
	Gritter Room, Iowa Hall Kirkwood Community College Cedar Rapids, Iowa	March 23, 2005 1 p.m.
Protected water sources—Chemplex site, Clinton County, 53.7(2) IAB 2/16/05 <b>ARC 4003B</b>	Garner Hall 313 Ninth Ave. Camanche, Iowa	March 10, 2005 7 p.m.
Manure management plan records, 65.17(13) IAB 2/16/05 <b>ARC 4004B</b> (See also <b>ARC 3807B</b> , IAB 11/10/04)	Fourth Floor East Conference Room Wallace State Office Bldg. Des Moines, Iowa	March 8, 2005 1 p.m.

**INSURANCE DIVISION[191]**

Universal life insurance, ch 92 IAB 3/2/05 <b>ARC 4025B</b>	330 Maple St. Des Moines, Iowa	March 22, 2005 10 a.m.
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**LATINO AFFAIRS DIVISION[433]**

Qualification of language interpreters, ch 2 IAB 3/2/05 <b>ARC 4030B</b>	Department of Human Rights Lucas State Office Bldg. Des Moines, Iowa	March 24, 2005 1 p.m.
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**NATURAL RESOURCE COMMISSION[571]**

Inspection of permanently moored vessels, ch 48 IAB 3/2/05 <b>ARC 4031B</b>	Fourth Floor West Conference Room Wallace State Office Bldg. Des Moines, Iowa	March 22, 2005 9 a.m.
Deer population management zones, ch 105 IAB 3/2/05 <b>ARC 4033B</b>	Fourth Floor East Conference Room Wallace State Office Bldg. Des Moines, Iowa	March 22, 2005 9 a.m.

**PROFESSIONAL LICENSURE DIVISION[645]**

Mortuary science examiners, 100.6(1), 100.10(6), chs 103 to 105 IAB 2/16/05 <b>ARC 3985B</b>	Fifth Floor Board Conference Room Lucas State Office Bldg. Des Moines, Iowa	March 8, 2005 9 to 10 a.m.
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**RACING AND GAMING COMMISSION[491]**

Licensing; harness racing; thoroughbred racing, 6.16, 6.17, 6.19, 6.20, 6.23, 6.25, 9.4, 10.4 IAB 2/16/05 <b>ARC 3986B</b>	Suite B 717 E. Court Des Moines, Iowa	March 8, 2005 9 a.m.
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**TRANSPORTATION DEPARTMENT[761]**

Motor carrier regulations, 529.1 IAB 2/16/05 <b>ARC 3991B</b>	DOT Conference Room Park Fair Mall 100 Euclid Ave. Des Moines, Iowa	March 10, 2005 10 a.m. (If requested)
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**UTILITIES DIVISION[199]**

Revised procedural rules, 1.8(4); chs 7, 26; 32.9(4) IAB 2/16/05 <b>ARC 3990B</b>	Hearing Room 350 Maple St. Des Moines, Iowa	April 26, 2005 10 a.m.
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Due to reorganization of state government by 1986 Iowa Acts, chapter 1245, it was necessary to revise the agency identification numbering system, i.e., the bracketed number following the agency name.

“Umbrella” agencies and elected officials are set out below at the left-hand margin in CAPITAL letters.

Divisions (boards, commissions, etc.) are indented and set out in lowercase type under their statutory “umbrellas.”

Other autonomous agencies which were not included in the original reorganization legislation as “umbrella” agencies are included alphabetically in small capitals at the left-hand margin, e.g., BEEF INDUSTRY COUNCIL, IOWA[101].

The following list will be updated as changes occur:

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**ARC 4008B****ADMINISTRATIVE SERVICES  
DEPARTMENT[11]****Notice of Intended Action**

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code section 8A.104, the Department of Administrative Services hereby gives Notice of Intended Action to amend Chapter 1, “Department Organization,” Iowa Administrative Code.

These amendments are proposed to reflect modifications to the organization of the Department of Administrative Services that will help meet the Department’s strategic goals of improving customer service, saving money, streamlining operations, and enhancing resource flexibility.

Public comments concerning the proposed amendments will be accepted until 4:30 p.m. on March 22, 2005. Interested persons may submit written, oral or electronic comments by contacting Carol Stratemeyer, Rules Administrator, Department of Administrative Services, Hoover State Office Building, Level A, Des Moines, Iowa 50319-0104; telephone (515)281-6134; fax (515)281-6140; E-mail [Carol.Stratemeyer@iowa.gov](mailto:Carol.Stratemeyer@iowa.gov).

These amendments were also Adopted and Filed Emergency and are published herein as **ARC 4009B**. The content of that submission is incorporated by reference.

These amendments are intended to implement Iowa Code chapter 8A and sections 7E.5 and 17A.3.

A fiscal impact summary prepared by the Legislative Services Agency pursuant to Iowa Code § 17A.4(3) will be available at <http://www.legis.state.ia.us/IAC.html> or at (515) 281-5279 prior to the Administrative Rules Review Committee’s review of this rule making.

**ARC 4012B****ADMINISTRATIVE SERVICES  
DEPARTMENT[11]****Notice of Termination**

Pursuant to the authority of Iowa Code section 8A.104, the Department of Administrative Services terminates the rule making initiated by its Notice of Intended Action published in the Iowa Administrative Bulletin on November 10, 2004, as **ARC 3776B** to amend Chapter 1, “Department Organization,” and Chapter 66, “Conduct of Employees,” Iowa Administrative Code.

These amendments were also simultaneously Adopted and Filed Emergency as **ARC 3775B**. The Notice was published to solicit public comment. Since no comments were received, and no changes to the emergency adopted rules are required, there is no further need to proceed with rule making for **ARC 3776B**.

**ARC 4022B****ELDER AFFAIRS  
DEPARTMENT[321]****Notice of Termination**

Pursuant to the authority of Iowa Code section 231.14, the Elder Affairs Department terminates the rule making initiated by its Notice of Intended Action to amend Chapter 24, “Adult Day Services Programs,” Iowa Administrative Code, published in the December 8, 2004, Iowa Administrative Bulletin as **ARC 3875B**.

The Notice proposed to make technical changes in Chapter 24 to:

1. Rescind the definition of “allied health care professional.”
2. Amend the definition of “health care.”
3. Rescind the definition of “self-administration” and adopt a new definition.
4. Rescind the definition of “supervision of self-administration.”
5. Rescind rule 321—24.30(231D) and adopt a new rule in lieu thereof.

Changes to Iowa Code chapter 231D regarding adult day services are being considered by the 81st General Assembly. The Department finds that the noticed rules should be terminated and that any further changes to existing administrative rules for adult day services be considered at a later date. Therefore, the Department is terminating the rule making commenced in **ARC 3875B**.

**ARC 4034B****ELDER AFFAIRS  
DEPARTMENT[321]****Notice of Termination**

Pursuant to the authority of Iowa Code section 231.14, the Elder Affairs Department terminates the rule making initiated by its Notice of Intended Action to amend Chapter 25, “Assisted Living Programs,” Iowa Administrative Code, published in the December 8, 2004, Iowa Administrative Bulletin as **ARC 3878B**.

The Notice proposed to make technical changes in Chapter 25 to:

1. Rescind the definitions of “allied health care professional” and “supervision of self-administration.” These terms are no longer used in this chapter.
2. Rescind and adopt new definitions of “personal care” and “self-administration.”
3. Change rule language to comply with Iowa Code requirements.
4. Clarify the statement regarding alarms on exit doors.
5. Clarify the provisions of medication administration.

Changes to Iowa Code chapter 231C regarding assisted living programs are being considered by the 81st General Assembly. The Department finds that the noticed rules should be terminated and that any further changes to existing administrative rules for assisted living programs be considered at a later date. Therefore, the Department is terminating the rule making commenced in **ARC 3878B**.

**ARC 4035B****ELDER AFFAIRS  
DEPARTMENT[321]****Notice of Termination**

Pursuant to the authority of Iowa Code section 231.14, the Elder Affairs Department terminates the rule making initiated by its Notice of Intended Action to amend Chapter 29, "Elder Group Homes," Iowa Administrative Code, published in the December 8, 2004, Iowa Administrative Bulletin as **ARC 3874B**.

The Notice proposed to make technical changes in Chapter 29 to:

1. Rescind and adopt new definitions of "personal care" and "self-administration."
2. Remove the definition of "supervision of self-administration." The term is no longer used in this chapter.
3. Clarify the provisions of medication administration.

Changes to Iowa Code chapter 231B regarding elder group homes are being considered by the 81st General Assembly. The Department finds that the noticed rules should be terminated and that any further changes to existing administrative rules for elder group homes be considered at a later date. Therefore, the Department is terminating the rule making commenced in **ARC 3874B**.

**ARC 4014B****HUMAN SERVICES  
DEPARTMENT[441]****Notice of Intended Action**

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)"b."

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code section 235B.5(1), the Department of Human Services proposes to amend Chapter 176, "Dependent Adult Abuse," Iowa Administrative Code.

These amendments clarify the reporting requirements for dependent adult abuse by:

- Defining "immediately" for the purpose of mandatory abuse reporting to mean "within 24 hours."
- Specifying that all mandatory reporters shall make a report of suspected abuse directly to the Department's Central Abuse Registry within 24 hours of their becoming aware of an abusive incident.

The amendments also make technical changes to update form numbers and references.

Confusion on reporting requirements has arisen following a statutory change made in 2004 Iowa Acts, chapter 1116, section 17, regarding the reporting procedure for mandatory reporters who are staff members or employees of health care facilities or other service providers. Previously, the statute required reporting "immediately" only to the reporter's supervisor. The supervisor had until the next business day to report the abuse to the Department. Now the reporter is required to report suspected abuse "immediately" both to the supervisor and to the Department.

Adopting a 24-hour mandatory reporting standard for dependent adult abuse is consistent with the statutory requirements in Iowa Code section 232.70 for the reporting of child abuse. A 24-hour standard allows facility staff members and employees some time to consider whether they have a reasonable belief that the dependent adult has been abused or whether the incident has some other origin, such as in the case of lost or misplaced property.

These amendments do not provide for waivers in specified situations because the requirement for immediate reporting is set in statute.

Any interested person may make written comments on the proposed amendments on or before March 23, 2005. Comments should be directed to Mary Ellen Imlau, Office of Policy Analysis, Department of Human Services, Hoover State Office Building, 1305 East Walnut Street, Des Moines, Iowa 50319-0114. Comments may be sent by fax to (515) 281-4980 or by E-mail to [policyanalysis@dhs.state.ia.us](mailto:policyanalysis@dhs.state.ia.us).

These amendments are intended to implement Iowa Code section 235B.3.

A fiscal impact summary prepared by the Legislative Services Agency pursuant to Iowa Code § 17A.4(3) will be available at <http://www.legis.state.ia.us/IAC.html> or at (515) 281-5279 prior to the Administrative Rules Review Committee's review of this rule making.

The following amendments are proposed.

ITEM 1. Amend rule **441—176.1(235B)** by adopting the following **new** definition of "immediately" in alphabetical order:

"Immediately" means within 24 hours when referring to mandatory reporters reporting suspected abuse of a dependent adult.

ITEM 2. Amend rule 441—176.4(235B) as follows:

**441—176.4(235B) Reporters.** The central registry and county offices shall accept reports from mandatory reporters or any other person who believes dependent adult abuse has occurred.

**176.4(1)** Mandatory reporters shall:

- a. *Report suspected abuse of a dependent adult within 24 hours of becoming aware of an abusive incident.*
- b. ~~make~~ **Make** a written report within 48 hours after an oral report.

**176.4(2)** The reporter may use the department's Form 470-2441, Suspected Dependent Adult Abuse Reporting Form Report, or may use a form developed by the reporter that meets the requirements of Iowa Code section 232.70 235B.3.

ITEM 3. Amend subrule 176.16(3) as follows:

**176.16(3)** Billing procedures. Claims for payment shall be submitted to the division of ~~adult, children behavioral, developmental, and family protective~~ services on Form ~~07-350 GAX, Purchase Order/Payment Voucher General Accounting Expenditure~~, accompanied by a letter from department staff certifying that the necessary conditions for payment have been met.

**ARC 4013B****HUMAN SERVICES  
DEPARTMENT[441]****Notice of Intended Action**

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code section 234.6 and 2003 Iowa Acts, chapter 178, section 44, the Department of Human Services proposes to amend Chapter 182, “Family-Centered Services,” Iowa Administrative Code.

These amendments modify the definition of child welfare family-centered supervision services by:

- Expanding the purpose of the services beyond enabling the family to use and benefit from other rehabilitative or nonrehabilitative services to encompass promoting the safety, permanency, and well-being of the child.
- Adding inspection and monitoring of the safety and suitability of a family’s home environment and oversight of family participation in services as permitted service activities.

These amendments also remove the requirement that children must be receiving a treatment service from the Department or some other source as a condition of eligibility for receiving family-centered supervision service. Monitoring and oversight of children to assess their safety and well-being and the adequacy of their living environment are often most needed when the Department first encounters the children, frequently following a report of maltreatment. At that stage, children are not yet involved with a treatment service. Requiring children to receive a treatment service before they can receive supervision services can delay the basic monitoring of their safety and well-being and result in treatment that may not be needed. Allowing the delivery of family-centered supervision as a “stand-alone” service will enable the Department to respond more quickly and flexibly in delivering child welfare services.

These amendments do not provide for waivers in specified situations because they remove restrictions and expand coverage of the services. Individuals who believe themselves disadvantaged by the rules may request a waiver under the Department’s general rule on exceptions at 441—1.8(17A,217).

Any interested person may make written comments on the proposed amendments on or before March 23, 2005. Comments should be directed to Mary Ellen Imlau, Office of Policy Analysis, Department of Human Services, Hoover State Office Building, 1305 East Walnut Street, Des Moines, Iowa 50319-0114. Comments may be sent by fax to (515) 281-4980 or by E-mail to [policyanalysis@dhs.state.ia.us](mailto:policyanalysis@dhs.state.ia.us).

These amendments were also Adopted and Filed Emergency and are published herein as **ARC 4019B**. The purpose of this Notice is to solicit comment on that submission, the subject matter of which is incorporated by reference.

These amendments are intended to implement Iowa Code section 234.6 and 2003 Iowa Acts, chapter 178, section 44.

A fiscal impact summary prepared by the Legislative Services Agency pursuant to Iowa Code § 17A.4(3) will be available at <http://www.legis.state.ia.us/IAC.html> or at (515)

281-5279 prior to the Administrative Rules Review Committee’s review of this rule making.

**ARC 4015B****HUMAN SERVICES  
DEPARTMENT[441]****Notice of Intended Action**

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code sections 234.6 and 600.22, the Department of Human Services proposes to amend Chapter 201, “Subsidized Adoptions,” Iowa Administrative Code.

These amendments rescind paragraphs that specify the treatment of certain income and resources of adoptive families. The adoption subsidy program in Iowa is funded in part through the Foster Care and Adoption Assistance Program under Title IV-E of the Social Security Act. Federal guidance for the IV-E program has clarified that the totality of a family’s circumstances should be considered in determining the subsidy for an eligible child, but the specific amount shall be determined through negotiation with the family, not through application of an arbitrary “means test.” The one definite limit is that the amount of subsidy shall not be more than the amount that would have been paid if the child were still in foster care.

The amendments also make a technical change to update the chapter implementation clause.

These amendments do not provide for waivers in specified situations because they remove restrictions. Individuals who believe themselves disadvantaged by these rules may request a waiver under the Department’s general rule on exceptions at rule 441—1.8(17A,217).

Any interested person may make written comments on the proposed amendments on or before March 23, 2005. Comments should be directed to Mary Ellen Imlau, Office of Policy Analysis, Department of Human Services, Hoover State Office Building, 1305 East Walnut Street, Des Moines, Iowa 50319-0114. Comments may be sent by fax to (515) 281-4980 or by E-mail to [policyanalysis@dhs.state.ia.us](mailto:policyanalysis@dhs.state.ia.us).

These amendments are intended to implement Iowa Code subsection 234.6(4) and sections 600.17 through 600.23.

A fiscal impact summary prepared by the Legislative Services Agency pursuant to Iowa Code § 17A.4(3) will be available at <http://www.legis.state.ia.us/IAC.html> or at (515) 281-5279 prior to the Administrative Rules Review Committee’s review of this rule making.

The following amendments are proposed.

ITEM 1. Amend subrule **201.5(2)** by rescinding and reserving paragraphs “a” and “b.”

ITEM 2. Amend **441—Chapter 201**, implementation clause, as follows:

These rules are intended to implement Iowa Code sections 600.17 to 600.21 and 600.23, and 2003 Iowa Acts, House File 667, section 29, subsection 5.

## ARC 4023B

### INSURANCE DIVISION[191]

#### Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)"b."

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code section 522B.18, the Insurance Division hereby gives Notice of Intended Action to amend Chapter 10, "Licensing of Insurance Producers," Iowa Administrative Code.

These amendments update Chapter 10 to clarify a change in the process for insurance producers who apply for the property and casualty lines of authority. An applicant who holds a personal lines authority and wishes to become licensed for all lines of property and casualty insurance must still complete an examination which covers the commercial line authority. After successful completion of the commercial lines examination, a producer will be issued a license for the property and casualty lines of authority. In the past, such a license was issued with the personal and commercial lines of authority. This prior practice differs from other states and has created difficulties for insurance producers seeking non-resident licenses in those other states.

These amendments do not contain a waiver provision. The Division has previously adopted a general waiver provision in 191—Chapter 4.

Any interested person may make written comments on the proposed amendments on or before March 22, 2005. Written comments should be sent to Rosanne Mead, Assistant Insurance Commissioner, 330 Maple, Des Moines, Iowa 50319. Comments may be submitted electronically to [rosanne.mead@iid.state.ia.us](mailto:rosanne.mead@iid.state.ia.us).

These amendments are intended to implement Iowa Code chapter 522B.

A fiscal impact summary prepared by the Legislative Services Agency pursuant to Iowa Code § 17A.4(3) will be available at <http://www.legis.state.ia.us/IAC.html> or at (515) 281-5279 prior to the Administrative Rules Review Committee's review of this rule making.

The following amendments are proposed.

ITEM 1. Amend subrule 10.4(6) as follows:

**10.4(6)** Qualification in personal lines is a prerequisite for ~~obtaining~~ taking the commercial lines line of authority examination. Upon successful completion of the commercial lines examination, a producer will be issued the property and casualty lines of authority. Qualification in both the personal and commercial lines, or in both property and casualty lines, is a prerequisite to obtaining the surplus lines line of authority.

ITEM 2. Amend subrule 10.7(1) as follows:

**10.7(1)** The following lines of authority are available for issuance in Iowa:

<u>Number</u>	<u>Authority</u>
---------------	------------------

- |   |  |
|---|--|
| 4 | Crop   |
| 5 | Surety   |
| 6 | Accident and health (insurance coverage for sickness, bodily injury, or accidental death and may include benefits for disability income) |

<u>Number</u>	<u>Authority</u>
---------------	------------------

- |    |   |
|----|---|
| 7  | Life (insurance coverage on human lives, including benefits of endowment, annuities, equity indexed products, may include benefits in event of death or dismemberment by accident and benefits for disability income) |
| 9  | Variable life/variable annuity products (insurance coverage provided under variable life insurance contracts and variable annuities)  |
| 16 | Personal lines (fire, casualty and auto insurance sold to individuals or families)  |
| 17 | <del>Commercial lines (fire, casualty and auto insurance sold to businesses) (prerequisite is authority 14 or 16)</del>   |
| 18 | Credit (offered in connection with an extension of credit to extinguish a credit obligation)  |
| 20 | Excess and surplus lines (prerequisite is authority <del>14 or 16</del> and 21 and 22)  |
| 21 | Property (coverage for the direct or consequential loss or damage to property of any kind)  |
| 22 | Casualty (coverage against legal liability, including that for death, injury, or disability, or damage to real or personal property)  |
| 23 | Reciprocal authority (any other line of insurance issued in another state and for which Iowa grants authority to sell, solicit or negotiate in this state)  |

ITEM 3. Amend subrule 10.7(2) as follows:

**10.7(2)** The following lines of authority are no longer issued in Iowa but shall remain valid so long as renewal requirements are met:

<u>Number</u>	<u>Authority</u>
---------------	------------------

- |    |   |
|----|---|
| 1  | Fire only   |
| 2  | Casualty only   |
| 3  | Auto only   |
| 8  | County mutual   |
| 11 | All but life and variable contracts   |
| 12 | Life and accident and health  |
| 14 | Personal lines (fire, casualty, auto, and crop insurance sold to individuals or families)   |
| 15 | All but variable contracts  |
| 17 | <del>Commercial lines (fire, casualty and auto insurance sold to businesses) (prerequisite is authority 14 or 16)</del>   |
| 19 | Legal expense   |
| 30 | Nonresident property (nonresident producers who sell insurance coverage for the direct or consequential loss of or damage to property of every kind)                                      |
| 31 | Nonresident casualty (nonresident producers who sell insurance coverage against legal liability, including that for death, injury, or disability, or damage to real or personal property) |



**ARC 4025B****INSURANCE DIVISION[191]****Notice of Intended Action**

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code sections 505.8, 508.36, and 508.37, the Insurance Division hereby gives Notice of Intended Action to adopt new Chapter 92, “Universal Life Insurance,” Iowa Administrative Code.

This new chapter supplements existing rules on life insurance policies in order to accommodate the development and issuance of universal life insurance plans.

A public hearing will be held at the offices of the Insurance Division at 10 a.m. on March 22, 2005. The Division is located at 330 Maple Street, Des Moines, Iowa 50319. At the hearing, persons will be asked to give their names and addresses for the record and to confine their remarks to the subject of the new chapter.

Any person who intends to be in attendance at the public hearing and who requires special accommodations should contact the Division at (515)281-5705.

Any interested person may make written comments on the proposed new chapter on or before 12 noon on March 22, 2005. Written comments may be sent to Kim Cross at the address listed above. Comments may also be submitted via facsimile to (515)281-3059 or electronically to [kim.cross@iid.state.ia.us](mailto:kim.cross@iid.state.ia.us).

These rules are intended to implement Iowa Code sections 508.36 and 508.37.

A fiscal impact summary prepared by the Legislative Services Agency pursuant to Iowa Code § 17A.4(3) will be available at <http://www.legis.state.ia.us/IAC.html> or at (515) 281-5279 prior to the Administrative Rules Review Committee’s review of this rule making.

The following amendment is proposed.

Adopt **new** 191—Chapter 92 as follows:

**CHAPTER 92****UNIVERSAL LIFE INSURANCE**

**191—92.1(508) Purpose and authority.** The purpose of these rules is to supplement existing regulations on life insurance policies in order to accommodate the development and issuance of universal life plans. These rules are authorized by Iowa Code section 505.8 and are intended to implement Iowa Code sections 508.36 and 508.37.

**191—92.2(508) Definitions.** For purposes of these rules, the following definitions shall apply:

“Cash surrender value” means the net cash surrender value plus any amounts outstanding as policy loans.

“Commissioner” means the insurance commissioner of Iowa.

“Fixed premium universal life insurance policy” means a universal life insurance policy other than a flexible premium universal life insurance policy.

“Flexible premium universal life insurance policy” means a universal life insurance policy which permits the policyowner to vary, independently of each other, the amount or

timing of one or more premium payments or the amount of insurance.

“Interest-indexed universal life insurance policy” or “interest-indexed policy” means any universal life insurance policy in which the interest credits are linked to an external referent.

“Net cash surrender value” means the maximum amount payable to the policyowner upon surrender.

“Policy value” means the amount to which separately identified interest credits and mortality, expense, or other charges are made under a universal life insurance policy.

“Universal life insurance policy” means a life insurance policy where separately identified interest credits (other than in connection with dividend accumulations, premium deposit funds, or other supplementary accounts) and mortality and expense charges are made to the policy. A universal life insurance policy may provide for other credits and charges, such as charges for the cost of benefits provided by rider.

**191—92.3(508) Scope.** These rules apply to all individual universal life insurance policies except variable universal life insurance policies.

**191—92.4(508) Valuation.**

**92.4(1) Requirements.** The minimum valuation standard for universal life insurance policies shall be the commissioners reserve valuation method, as specified in paragraphs “a” through “m” below for such policies, and the tables and interest rates specified below. The terminal reserve for the basic policy and any benefits and riders for which premiums are not paid separately as of any policy anniversary shall be equal to the net level premium reserves less (C) and less (D), where:

a. Reserves by the net level premium method shall be equal to  $((A) - (B)) \times r$ , where (A), (B) and “r” are as defined below;

b. (A) is the present value of all future guaranteed benefits at the date of valuation;

c. (B) is the quantity  $PVFB \times (\ddot{a}_{x+t}/\ddot{a}_x)$ , where PVFB is the present value of all benefits guaranteed at issue assuming future guaranteed maturity premiums are paid by the policyowner and taking into account all guarantees contained in the policy or declared by the insurer;

d.  $\ddot{a}_x$  and  $\ddot{a}_{x+t}$  are present values of an annuity of one per year payable on policy anniversaries beginning at ages x and x+t, respectively, and continuing until the highest attained age at which a premium may be paid under the policy. The letter “x” is defined as the issue age and the letter “t” is defined as the duration of the policy;

e. The guaranteed maturity premium for flexible premium universal life insurance policies shall be that level gross premium, paid at issue and periodically thereafter over the period during which premiums are allowed to be paid, which will mature the policy on the latest maturity date, if any, permitted under the policy (otherwise at the highest age in the valuation mortality table) for an amount which is in accordance with the policy structure. The guaranteed maturity premium is calculated at issue based on all policy guarantees at issue (excluding guarantees linked to an external referent). The guaranteed maturity premium for fixed premium universal life insurance policies shall be the premium defined in the policy which at issue provides the minimum policy guarantees;

f. The letter “r” is equal to one, unless the policy is a flexible premium policy and the policy value is less than the guaranteed maturity fund, in which case “r” is the ratio of the policy value to the guaranteed maturity fund;

## INSURANCE DIVISION[191](cont'd)

g. The guaranteed maturity fund at any duration is that amount which, together with future guaranteed maturity premiums, will mature the policy based on all policy guarantees at issue;

h. (C) is the quantity  $((a)-(b)) \times (\ddot{a}_{x+t}/\ddot{a}_x) \times r$ , where (a)–(b) is as described in Iowa Code section 508.36(6) for the plan of insurance defined at issue by the guaranteed maturity premiums and all guarantees contained in the policy or declared by the insurer;

i.  $\ddot{a}_{x+t}$  and  $\ddot{a}_x$  are defined in paragraph “d” above;

j. (D) is the sum of any additional quantities analogous to (C) which arise because of structural changes in the policy, with each such quantity being determined on a basis consistent with that of (C) using the maturity date in effect at the time of the change;

k. The guaranteed maturity premium, the guaranteed maturity fund and (B) above shall be recalculated to reflect any structural changes in the policy. This recalculation shall be done in a manner consistent with the descriptions above;

l. Future guaranteed benefits are determined by: (1) projecting the greater of the guaranteed maturity fund and the policy value, taking into account future guaranteed maturity premiums, if any, and using all guarantees of interest, mortality, expense deductions, etc. contained in the policy or declared by the insurer; and (2) taking into account any benefits guaranteed in the policy or by declaration which do not depend on the policy value;

m. All present values shall be determined using: (1) an interest rate (or rates) specified by Iowa Code section 508.36(3) through (5) for policies issued in the same year; (2) the mortality rates specified by Iowa Code section 508.36(3) and (4) for policies issued in the same year or contained in such other table as may be approved by the commissioner for this purpose; and (3) any other tables needed to value supplementary benefits provided by a rider which is being valued together with the policy.

#### 92.4(2) Alternative minimum reserves.

a. If, in any policy year, the guaranteed maturity premium on any universal life insurance policy is less than the valuation net premium for such policy, calculated by the valuation method actually used in calculating the reserve thereon but using the minimum valuation standards of mortality and rate of interest, the minimum reserve required for such contract shall be the greater of the following:

(1) The reserve calculated according to the method, the mortality table, and the rate of interest actually used; or

(2) The reserve calculated according to the method actually used but using the minimum valuation standards of mortality and rate of interest and replacing the valuation net premium by the guaranteed maturity premium in each policy year for which the valuation net premium exceeds the guaranteed maturity premium.

b. For universal life insurance reserves on a net level premium basis, the valuation net premium is  $PVFB/\ddot{a}_x$ , and for reserves on a commissioner's reserve valuation method, the valuation net premium is  $PVFB/\ddot{a}_x + ((a) - (b))/\ddot{a}_x$ .

#### 191—92.5(508) Nonforfeiture.

92.5(1) Minimum cash surrender values for flexible premium universal life insurance policies.

a. Minimum cash surrender values for flexible premium universal life insurance policies shall be determined separately for the basic policy and any benefits and riders for which premiums are paid separately.

b. The following requirements pertain to a basic policy and any benefits and riders for which premiums are not paid separately.

(1) The minimum cash surrender value (before adjustment for indebtedness and dividend credits) available on a date as of which interest is credited to the policy shall be equal to the accumulation to that date of the premiums paid minus the accumulations to that date of (a) the benefit charges; (b) the averaged administrative expense charges for the first policy year and any insurance-increase years; (c) actual administrative expense charges for other years; (d) initial and additional acquisition expense charges not exceeding the initial or additional expense allowances, respectively; (e) any service charges actually made (excluding charges for cash surrender or election of a paid-up nonforfeiture benefit); and (f) any deductions made for partial withdrawals; all accumulations being at the actual rate or rates of interest at which interest credits have been made unconditionally to the policy (or have been made conditionally, but for which the conditions have since been met), and minus any unamortized unused initial and additional expense allowances.

(2) Interest on the premiums and on all charges referred to in (a) through (f) in subparagraph (1) above shall be accumulated from and to such dates as are consistent with the manner in which interest is credited in determining the policy value.

(3) The benefit charges shall include the charges made for mortality and any charges made for riders or supplementary benefits for which premiums are not paid separately. If benefit charges are substantially level by duration and develop low or no cash values, then the commissioner shall have the right to require higher cash values unless the insurer provides adequate justification that the cash values are appropriate in relation to the policy's other characteristics.

(4) The administrative expense charges shall include charges per premium payment, charges per dollar of premium paid, periodic charges per thousand dollars of insurance, periodic per policy charges, and any other charges permitted by the policy to be imposed without regard to the policyowner's request for services.

(5) The averaged administrative expense charges for any year shall be those which would have been imposed in that year if the charge rate or rates for each transaction or period within the year had been equal to the arithmetic average of the corresponding charge rates which the policy states will be imposed in policy years two through twenty in determining the policy value.

(6) The initial acquisition expense charges shall be the excess of the expense charges, other than service charges, actually made in the first policy year over the averaged administrative expense charges for that year. Additional acquisition expense charges shall be the excess of the expense charges, other than service charges, actually made in an insurance-increase year over the averaged administrative expense charges for that year. An insurance-increase year shall be the year beginning on the date of increase in the amount of insurance by policyowner request (or by the terms of the policy).

(7) Service charges shall include charges permitted by the policy to be imposed as a result of a policyowner's request for a service by the insurer (such as the furnishing of future benefit illustrations) or of special transactions.

(8) The initial expense allowance shall be the allowance provided by Iowa Code section 508.37(5)(a)(2) through (4) or by Iowa Code section 508.37(6)(a)(2) and (3) for a fixed premium, fixed benefit endowment policy with a face amount equal to the initial face amount of the flexible premium universal life insurance policy, with level premiums paid annually until the highest attained age at which a premium may be paid under the flexible premium universal life insurance policy, and maturing on the latest maturity date

## INSURANCE DIVISION[191](cont'd)

permitted under the policy, if any, otherwise at the highest age in the valuation mortality table. The unused initial expense allowance shall be the excess, if any, of the initial expense allowance over the initial acquisition expense charges.

(9) If the amount of insurance is subsequently increased upon request of the policyowner (or by the terms of the policy), an additional expense allowance and an unused additional expense allowance shall be determined on a basis consistent with subparagraph (8) and with Iowa Code section 508.37(6)(e), using the face amount and the latest maturity date permitted at that time under the policy.

(10) The unamortized unused initial expense allowance during the policy year beginning on the policy anniversary at age  $x+t$  (where " $x$ " is the same issue age) shall be the unused initial expense allowance multiplied by  $\ddot{a}_{x+t}/\ddot{a}_x$ , where  $\ddot{a}_{x+t}$  and  $\ddot{a}_x$  are present values of an annuity of one per year payable on policy anniversaries beginning at ages  $x+t$  and  $x$ , respectively, and continuing until the highest attained age at which a premium may be paid under the policy, both on the mortality and interest bases guaranteed in the policy. An unamortized unused additional expense allowance shall be the unused additional expense allowance multiplied by a similar ratio of annuities, with  $\ddot{a}_x$  replaced by an annuity beginning on the date as of which the additional expense allowance was determined.

**92.5(2)** Minimum cash surrender values for fixed premium universal life insurance policies. For fixed premium universal life insurance policies, the minimum cash surrender values shall be determined separately for the basic policy and any benefits and riders for which premiums are paid separately. The following requirements pertain to a basic policy and any benefits and riders for which premiums are not paid separately:

a. The minimum cash surrender value (before adjustment for indebtedness and dividend credits) available on a date as of which interest is credited to the policy shall be equal to  $[(A) - (B) - (C) - (D)]$ , where:

(A) is the present value of all future guaranteed benefits;

(B) is the present value of future adjusted premiums. The adjusted premiums are calculated as described in Iowa Code section 508.37(5)(a) or Iowa Code section 508.37(6)(a), as applicable. If Iowa Code section 508.37(6)(a) is applicable, the nonforfeiture net level premium is equal to the quantity  $PVFB/\ddot{a}_x$ , where PVFB is the present value of all benefits guaranteed at issue assuming future premiums are paid by the policyowner and all guarantees contained in the policy or declared by the insurer;

$\ddot{a}_x$  is the present value of an annuity of one per year payable on policy anniversaries beginning at age  $x$  and continuing until the highest attained age at which a premium may be paid under the policy;

(C) is the present value of any quantities analogous to the nonforfeiture net level premium which arise because of guarantees declared by the insurer after the issue date of the policy;  $\ddot{a}_x$  shall be replaced by an annuity beginning on the date as of which the declaration became effective and payable until the end of the period covered by the declaration;

(D) is the sum of any quantities analogous to (B) which arise because of structural changes in the policy.

b. Future guaranteed benefits are determined by: (1) projecting the policy value, taking into account future premiums, if any, and using all guarantees of interest, mortality, expense deductions, etc. contained in the policy or declared by the insurer; and (2) taking into account any benefits guaranteed in the policy or by declaration which do not depend on the policy value.

c. All present values shall be determined using: (1) an interest rate (or rates) specified by Iowa Code section 508.37(5) and (6) for policies issued in the same year; and (2) the mortality rates specified by Iowa Code section 508.37(5) and (6) for policies issued in the same year or contained in such other table as may be approved by the commissioner for this purpose.

**92.5(3)** Minimum paid-up nonforfeiture benefits.

a. If a universal life insurance policy provides for the optional election of a paid-up nonforfeiture benefit, it shall be such that its present value shall be at least equal to the cash surrender value provided for by the policy on the effective date of the election. The present value shall be based on mortality and interest standards at least as favorable to the policyowner as:

(1) In the case of a flexible premium universal life insurance policy, the mortality and interest bases guaranteed in the policy for determining the policy value; or

(2) In the case of a fixed premium policy, the mortality and interest standards permitted for paid-up nonforfeiture benefits by Iowa Code section 508.37(5) and (6).

b. In lieu of the paid-up nonforfeiture benefit, the insurer may substitute, upon proper request no later than 60 days after the due date of the premium in default, an actuarially equivalent alternative paid-up nonforfeiture benefit which provides a greater amount of death benefits or longer period of death benefits or, if applicable, a greater amount of endowment benefits or earlier payment of endowment benefits.

**191—92.6(508) Mandatory policy provisions.**

**92.6(1)** Periodic disclosure to policyholder. The policy shall provide that the policyowner be sent, without charge, at least annually, a report which will serve to keep such policyowner advised as to the status of the policy. The end of the current report period must be not more than three months prior to the date of the mailing of the report. Specific requirements for this report are detailed in rule 191—92.8(508).

**92.6(2)** Current illustrations. The annual report shall provide notice that the policyholder may request an illustration of current and future benefits and values.

**92.6(3)** Policy guarantees. The policy shall provide guarantees of minimum interest credits and maximum mortality and expense charges. All values and data shown in the policy shall be based on guarantees. Figures based on nonguarantees shall not be included in the policy.

**92.6(4)** Calculation of cash surrender values. The policy shall contain at least a general description of the calculation of cash surrender values including the following information:

a. The guaranteed maximum expense charges and loads;

b. Any limitation on the crediting of additional interest. Interest credits shall not remain conditional for a period longer than 24 months;

c. The guaranteed minimum rate or rates of interest;

d. The guaranteed maximum mortality charges;

e. Any other guaranteed charges; and

f. Any surrender or partial withdrawal charges.

**92.6(5)** Changes in basic coverage. If the policyowner has the right to change the basic coverage, any limitation on the amount or timing of such change shall be stated in the policy. If the policyowner has the right to increase the basic coverage, the policy shall state whether new periods for contestability or suicide apply to the additional amount of coverage.

**92.6(6)** Grace period and lapse. The policy shall provide that written notice be sent to the policyowner's last-known address at least 30 days prior to termination of coverage. A

## INSURANCE DIVISION[191](cont'd)

flexible premium policy shall provide for a grace period of at least 30 days after lapse. Unless otherwise defined in the policy, lapse shall occur on that date on which the net cash surrender value first equals zero.

**92.6(7)** Misstatement of age or sex. If there is a misstatement of age or sex in the policy, the amount of the death benefit shall be that which would be purchased by the most recent mortality charge at the correct age or sex. The commissioner may approve other methods which are deemed satisfactory.

**92.6(8)** Maturity date. If a policy provides for a maturity date, end date, or similar date, then the policy shall also contain a statement, in close proximity to that date, noting that it is possible that coverage may not continue to the maturity date even if scheduled premiums are paid in a timely manner, if such is the case.

**191—92.7(508) Disclosure requirements.** Disclosure of information about the policy being applied for shall follow the standards in 191—Chapter 14.

**191—92.8(508) Periodic disclosure to policyowner.**

**92.8(1)** Requirements. The policy shall provide that the policyowner be sent, without charge, at least annually, a report which will serve to keep such policyowner advised of the status of the policy. The end of the current report period shall be not more than three months previous to the date of the mailing of the report.

**92.8(2)** Report contents. The report shall include the following:

- a. The beginning date and end date of the current report period;
- b. The policy value at the end of the previous report period and at the end of the current report period;
- c. The total amounts which have been credited or debited to the policy value during the current report period, identifying each debit or credit by type (e.g., interest, mortality, expense, and riders);
- d. The current death benefit at the end of the current report period on each life covered by the policy;
- e. The net cash surrender value of the policy as of the end of the current report period;
- f. The amount of outstanding loans, if any, as of the end of the current report period;
- g. For fixed premium policies, a notice that, assuming guaranteed interest, mortality and expense loads and continued scheduled premium payments, the policy's net cash surrender value is such that it would not maintain insurance in force until the end of the next reporting period;
- h. For flexible premium policies, a notice that, assuming guaranteed interest, mortality and expense loads, the policy's net cash surrender value will not maintain insurance in force until the end of the next reporting period unless further premium payments are made.

**191—92.9(508) Interest-indexed universal life insurance policies.**

**92.9(1)** Initial filing requirements. The following information shall be submitted in connection with any filing of interest-indexed universal life insurance policies. All such information received shall be treated confidentially to the extent permitted by law.

- a. A description of how the interest credits are determined, including:
  - (1) A description of the index;
  - (2) The relationship between the value of the index and the actual interest rate to be credited;
  - (3) The frequency and timing of determining the interest rate; and

- (4) The allocation of interest credits, if more than one rate of interest applies to different portions of the policy value.

b. The insurer's investment policy, which includes a description of the following:

- (1) How the insurer addresses the reinvestment risks;
- (2) How the insurer plans to address the risk of capital loss on cash outflows;
- (3) How the insurer plans to address the risk that appropriate investments may not be available or not available in sufficient quantities;
- (4) How the insurer plans to address the risk that the indexed interest rate may fall below the minimum contractual interest rate guaranteed in the policy;
- (5) The amount and type of assets currently held for interest-indexed policies; and
- (6) The amount and type of assets expected to be acquired in the future.

c. If policies are linked to an index for a specified period that is less than to the maturity date of the policy, a description of the method used (or currently contemplated) to determine interest credits upon the expiration of such period.

d. A description of any interest guarantee in addition to or in lieu of the index.

e. A description of any maximum premium limitations and the conditions under which they apply.

**92.9(2)** Additional filing requirements.

a. Annually, every insurer shall submit a description of the amount and type of assets currently held by the insurer with respect to its interest-indexed policies. The assets described by the insurer pursuant to this paragraph as held by the insurer with respect to its interest-indexed policies shall not be segregated or dedicated to the insurer's interest-indexed policies but shall be general assets of the insurer unless the assets are in one or more separate accounts in accordance with Iowa Code chapter 508A which have been established by the insurer with respect to certain of its interest-indexed policies.

b. Prior to implementation of any material change in the insurer's investment strategy or method of determining the interest credits, every domestic insurer shall submit a description of any material change in the insurer's investment strategy or method of determining the interest credits. A change shall be considered to be material if it will affect the form or definition of the index (i.e., any change in the information supplied pursuant to subrule 92.9(1)) or if it will significantly change the amount or type of assets held for interest-indexed policies.

**191—92.10(508) Applicability.** Rules 191—92.6(508) through 191—92.8(508) shall apply only to policies issued after [insert the effective date of these rules].

These rules are intended to implement Iowa Code sections 508.36 and 508.37.

**ARC 4030B****LATINO AFFAIRS DIVISION[433]****Notice of Intended Action**

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code section 216A.16, the Iowa Division of Latino Affairs hereby gives Notice of Intended Action to rescind Chapter 2, “Interpreters in Legal Proceedings,” and adopt new Chapter 2, “Qualification of Language Interpreters,” Iowa Administrative Code.

This proposed amendment expands current Iowa Division of Latino Affairs responsibilities as related to Spanish language interpreters. The proposed amendment creates a qualification mechanism for Spanish language interpreters working for administrative agencies, health, social services and the courts.

The proposed amendment will improve compliance with Title VI of the United States Civil Rights Code. In a clarification of Title VI of the Civil Rights Act of 1964, the federal Office for Civil Rights stipulated in 2000 that any entity receiving federal funds, including health care organizations receiving Medicaid and State Children’s Health Insurance Program (SCHIP) funds, must provide no-cost language assistance services to patients with limited English proficiency. Therefore, these rules are not subject to waiver.

The proposed rules were developed in three stages: (1) On July 1, 2004, over 200 concerned Iowans from 32 different communities attended a forum/hearing designed to gather input from individuals affected by language interpretation; (2) On October 26, 2004, a set of draft rules was reviewed by an Administrative Rules Subcommittee that included representatives of the Iowa Commission of Latino Affairs and interested individuals from each of the affected constituencies; (3) In December 2004, revised draft rules were disseminated via electronic media to the Administrative Rules Subcommittee for additional comments.

Any interested person may make written suggestions or comments on this proposed amendment on or before March 23, 2005. Such written comments should be directed to the Division of Latino Affairs, Iowa Department of Human Rights, Lucas State Office Building, 321 E. 12th Street, Des Moines, Iowa 50319.

A public hearing will be held on Thursday, March 24, 2005, at 1 p.m. at the Iowa Department of Human Rights, Lucas State Office Building, 321 E. 12th Street, Des Moines, Iowa 50319. Persons may present their views at the public hearing either orally or in writing. Persons who wish to make oral presentations at the public hearing should contact John-Paul Chaisson-Cardenas, Administrator, Iowa Division of Latino Affairs, by telephone (515)281-4080 at least one full day prior to the date of the public hearing.

This amendment is intended to implement Iowa Code section 216A.15(9).

A fiscal impact summary prepared by the Legislative Services Agency pursuant to Iowa Code § 17A.4(3) will be available at <http://www.legis.state.ia.us/IAC.html> or at (515) 281-5279 prior to the Administrative Rules Review Committee’s review of this rule making.

The following amendment is proposed.

Rescind 433—Chapter 2 and insert in lieu thereof the following **new** chapter:

**CHAPTER 2****QUALIFICATION OF LANGUAGE INTERPRETERS****433—2.1(216A) Definitions.**

“AGITP” means an approved general interpreter’s training program.

“AISP” means an approved interpreter’s specialization program.

“ALTA” means an approved language testing agency.

“ATA” means approved training agency and refers to an agency that has met the ICLA requirements for administering the interpreter certification program.

“CEU” means continuing education unit and is equivalent to 0.10 of a contact hour.

“CLI” means certified language interpreter and refers to a person who has met all the requirements set by the Iowa commission of Latino affairs or its delegate.

“Client” means the person who is in need of an interpreter’s services.

“Contact hour” means 60 minutes of uninterrupted instruction.

“Division” means the Iowa division of Latino affairs located in the department of human rights.

“ICLA” means the Iowa commission of Latino affairs.

“Interpreter” means a person who translates orally for parties conversing in different languages.

“Provider” means the professional or organization utilizing an interpreter to communicate with a client.

“SLI” means specialized language interpreter and refers to a language interpreter who has met all the specialization requirements set by the Iowa commission of Latino affairs or its delegate. Specialization certification fields include: legal interpretation, social services/mental health interpretation, health care interpretation, and education interpretation.

“Translator” means a person who translates in written form from one language to another.

**433—2.2(216A) Purpose.** The purpose of these rules is to:

1. Comply with Iowa Code section 216A.15, subsection 9.
2. Develop a mechanism for establishing the qualifications for Spanish/English interpreters, thus creating a pool of qualified professional interpreters.
3. Develop a system which improves the quality of interpretation but is still cost-effective for providers, interpreters, and clients.
4. Professionalize interpreters by providing professional standards and a code of ethics.
5. Develop an evaluation system for organizations to assess the language skills of employees and applicants.
6. Develop an interpreter qualification system that is replicable and expandable into other languages.
7. Develop a qualification process that focuses on training the interpreters rather than on a single certification test.
8. Encourage Iowa’s interpreters to become nationally certified.

**433—2.3(216A) List of interpreters.** The division shall prepare, maintain, and publish a list of individuals who have been deemed as certified or as specialized Spanish/English language interpreters, or both. Interpreters will be deemed qualified at a specific certification level if they have met the

## LATINO AFFAIRS DIVISION[433](cont'd)

background, language and training requirements set by the ICLA.

**433—2.4(216A) Criminal background check.** Federal and state criminal background checks will be performed on all applicants seeking division certification. A person shall not be appointed as a CLI if the person has been convicted of either of the following:

1. A felony in a court of this or any other state or of the United States. An offense is a felony if it is so classified by the law under which the person is convicted at the time of the person's conviction.

2. Any crime in a court of this or any other state or of the United States, deemed to evidence moral turpitude, dishonesty, fraud, deceit, or misrepresentation.

**433—2.5(216A) Approved language testing agencies.** For an organization to be considered an ALTA, it must be responsible for demonstrating a potential interpreter's language competency in all of the following:

- Spoken English;
- Spoken Spanish;
- Written English; and
- Written Spanish.

**433—2.6(216A) Approved general interpreter training programs.**

**2.6(1)** Minimum criteria for CLI eligibility. In order for a person to become a CLI, the person shall:

- a. Have obtained a high school diploma or equivalent;
- b. Have passed Spanish and English language requirements from an ALTA; and
- c. Be 18 years of age or older.

**2.6(2)** For an organization to become an ATA, the organization's AGITP curriculum must demonstrate the ability to build competency in the following areas:

- a. Cultural competency;
- b. Ethics;
- c. Interpretation methodology;
- d. Professionalism and etiquette;
- e. Written translation skills;
- f. Interpreter self-evaluative assessment tools and techniques;
- g. Overview of state and national interpreter certification and credentialing requirements; and
- h. Idioms, slang, and vocabulary development.

**2.6(3)** In addition to the curriculum requirements, an AGITP must contain a practice laboratory and a comprehensive exit evaluation.

**2.6(4)** Contact hour requirements. In order to be approved by the division, a training program curriculum must consist of a minimum of 150 student contact hours. The AGITP must monitor a minimum of 30 supervised practice hours in order to meet supervised practice standard requirements set by the ICLA.

**433—2.7(216A) Approved interpreter's specialization programs.**

**2.7(1)** In order to enter an AISP, a participant must be a CLI in good standing.

**2.7(2)** For an organization to become an ATA for the AISP, its curriculum must address the following course content:

- a. Vocabulary specific to the field of specialization;
- b. Introduction to the basic conceptual/theoretical principles of the field of specialization;
- c. Ethics specific to the field of specialization;

d. Cultural competency specific to the field of specialization;

e. Interpreter's skills laboratory specific to the field of specialization.

**2.7(3)** Contact hour requirements. In order to be approved by the division, an interpreter's specialization program must consist of a minimum of 80 student contact hours. In addition, the AISP must monitor an additional 20 supervised practice hours to complete supervised practice standard requirements set by the ICLA.

**433—2.8(216A) Continuing education requirements.** In order to maintain certification status as a CLI or an SLI, the ICLA will require certificate holders to complete a minimum of 30 CEUs every two years.

**433—2.9(216A) Experience-based or out-of-state interpreter transferability.**

**2.9(1)** Review of certificates or alternate training. In extraordinary cases, the ICLA or its delegate may review alternative individual certifications or professional experiences for compatibility with the CLI requirements. The ICLA or its delegate may grant full or partial credit towards the CLI requirements.

**2.9(2)** Complete program adoption. If the ICLA or its delegate has deemed an alternate program to be compatible with the division standards in the program's entirety, state certification will be granted.

**2.9(3)** Partial adoption of program. If the ICLA or its delegate has determined that all ICLA requirements have not been met, additional coursework will be required before certification is granted.

**433—2.10(216A,622A) Court interpreters.** Requirements for court interpreters may be found at Iowa Code sections 622A.1 to 622A.8. Additional requirements are applicable for court-certified interpreters. The additional requirements may be found at Iowa Court Rules, Chapters 14 and 15.

**433—2.11(216A) Fees.** Reserved.

**433—2.12(216A) Ethics and code of professional conduct for interpreters.**

**2.12(1)** Accuracy and completeness. An interpreter shall render a complete and accurate interpretation by reproducing in the target language the closest natural equivalent of the source language message, without altering, omitting, or adding anything to the meaning of what is stated or written, and without explanation.

a. An interpreter has a twofold role:

(1) To ensure that the interpreter reflects precisely what was said by all pertinent parties; and

(2) To place persons with limited proficiency in the English language on an equal footing with persons who understand English.

To fulfill these roles, an interpreter must apply the interpreter's best skills and judgment to preserve the meaning of what is said, as faithfully as possible and without editing. The interpreter should express the style or register of speech, the ambiguities and nuances of the speaker, and the level of language that best conveys the original meaning of the source language. Verbatim, "word for word," or literal oral interpretations are inappropriate when they distort the meaning of what was said in the source language. However, all spoken statements, including misstatements, should be interpreted, even if they appear nonresponsive, obscene, rambling, or incoherent.

b. The obligation to preserve accuracy includes the interpreter's duty to correct any errors of interpretation discov-

## LATINO AFFAIRS DIVISION[433](cont'd)

ered while interpreting. An interpreter should demonstrate the interpreter's professionalism by objectively analyzing any challenge to the interpreter's performance.

c. The ethical responsibility to interpret accurately and completely includes the responsibility of being properly prepared for interpreting assignments, and is especially important when the situation or documents include highly specialized terminology and subject matter.

**2.12(2)** Conveying cultural frameworks. An interpreter shall explain cultural differences or practices to providers and clients when appropriate. The interpreter, therefore, must be mindful of those occasions where unshared cultural beliefs and assumptions can create a barrier to effective communication. In these situations, the role of interpreter is two-fold:

- a. To identify the possibility that a cultural misunderstanding is creating a barrier to communication; and
- b. To assist both the provider and client in exploring with each other what this barrier may be.

**2.12(3)** Representation of qualifications. An interpreter shall accurately and completely represent the interpreter's certifications, training, and experience. An interpreter shall promptly report to the client any disciplinary action taken against the interpreter.

**2.12(4)** Impartiality and avoidance of conflict of interest.

a. An interpreter shall be impartial and unbiased, and shall refrain from conduct that may give an appearance of bias. An interpreter shall disclose any real or perceived conflict of interest.

b. An interpreter should avoid any conduct or behavior that presents the appearance of favoritism toward the client or provider. An interpreter should maintain professional relationships with clients, discourage personal dependence on the interpreter, and avoid participation in the interaction other than as an interpreter.

c. An interpreter should strive for professional detachment. Verbal and nonverbal displays of personal attitudes, prejudices, emotions, or opinions must be avoided at all times.

d. An interpreter shall not solicit or accept any payment, gift or gratuities in addition to compensation.

e. Any condition that interferes with the objectivity of an interpreter constitutes a conflict of interest and must be disclosed to all concerned parties. An interpreter should divulge only necessary information when disclosing the conflict of interest. The disclosure shall not include privileged or confidential information. The following circumstances create potential conflicts of interest that must be disclosed:

(1) The interpreter is a friend, associate, or relative of a client or provider.

(2) For any reason, the interpreter's independence of judgment would be compromised in the course of providing services.

The existence of any one of the above-mentioned circumstances should be carefully evaluated by all pertinent parties, but does not alone disqualify an interpreter from providing services if the interpreter is able to render services objectively. The interpreter should disclose any indication that the recipient of interpreting services views the interpreter as being biased. If an actual or apparent conflict of interest exists, the parties should decide whether removal of the interpreter is appropriate based upon the totality of the circumstances.

**2.12(5)** Professional demeanor. An interpreter shall conduct the services of interpreting in a manner consistent with the dignity of the professional situation. An interpreter shall know and observe the established protocol, rules, and proce-

dures for delivering interpreting services. While speaking, an interpreter should speak at a rate and volume that enables the interpreter to be heard and understood. An interpreter shall be as unobtrusive as possible and shall not seek to draw inappropriate attention to the interpreter while performing professional duties, including any time the interpreter is present, even though not actively interpreting.

**2.12(6)** Interpreter positioning. An interpreter should avoid obstructing the view of anyone involved in the interaction, but should be appropriately positioned to facilitate communication.

**2.12(7)** Confidentiality. An interpreter shall protect the confidentiality of all privileged and other confidential information. An interpreter must uphold the confidentiality of any communications between other persons or agencies and the client. An interpreter must also refrain from repeating or disclosing information obtained by the interpreter in the course of employment.

**2.12(8)** Reporting criminal intent. In the event an interpreter is providing services to a party and becomes aware of an intention to inflict harm or commit a crime, the interpreter shall immediately disclose the information to all pertinent parties. In an emergency, the interpreter shall disclose the information to an appropriate authority.

**2.12(9)** Information for personal gain. An interpreter shall not take advantage of knowledge obtained in the performance of duties, or by the interpreter's access to records, facilities, or privileges, for the interpreter's own or another's personal gain.

**2.12(10)** Restriction of public comment. An interpreter shall not publicly discuss, report or offer an opinion concerning a matter in which the interpreter is or has been engaged, even when that information is not privileged or required by law to be confidential, except to facilitate training and education.

Generally, an interpreter should not discuss interpreter assignments with anyone other than persons who have a formal duty associated with the case. However, an interpreter may share information for training and education purposes, divulging only so much information as is required to accomplish this purpose. Unless so ordered by a court, an interpreter must never reveal privileged or confidential information for any purpose, including training and education.

**2.12(11)** Scope of practice. An interpreter shall be limited to interpreting and shall not give advice, express personal opinions to individuals for whom the interpreter is interpreting, or engage in other activities which may be construed to constitute a service other than interpreting while serving as an interpreter.

**2.12(12)** Assessing and reporting impediments to services. An interpreter shall assess at all times the interpreter's ability to deliver services. When an interpreter has any reservation about the interpreter's ability to satisfy an assignment competently, the interpreter shall immediately convey that reservation to the appropriate authority.

**2.12(13)** Duty to report violations. An interpreter shall report to the proper authority any effort to impede the interpreter's compliance with any law, any provision of this code of conduct, or any other official policy governing interpreting.

**2.12(14)** Professional development. An interpreter shall strive to improve the interpreter's skills and knowledge and advance the profession through activities such as professional training and education, and interaction with colleagues and specialists in related fields. An interpreter should improve the interpreter's interpreting skills and increase the interpreter's knowledge of the languages the interpreter works in pro-

LATINO AFFAIRS DIVISION[433](cont'd)

professionally, including past and current trends in slang, idiomatic expression, changes in dialect, technical terminology and social and regional dialects.

**2.12(15)** Breach of ethics. Any breach or perceived breach of ethics shall be reported to the division for investigation.

These rules are intended to implement Iowa Code section 216A.15.

## ARC 4031B

### NATURAL RESOURCE COMMISSION[571]

#### Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)"b."

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code subsection 455A.5(6), the Natural Resource Commission hereby gives Notice of Intended Action to adopt new Chapter 48, "Inspection of Permanently Moored Vessels," Iowa Administrative Code.

The Department proposes to create new 571—Chapter 48 as mandated by Iowa Code sections 99F.7(13) and 462A.20. This new chapter establishes procedures for compliance with the inspection requirements of the two aforementioned Iowa Code sections for inspections of excursion boats used for gambling that are removed from navigation and designated as permanently moored vessels.

Any interested person may make written suggestions or comments on the proposed rules on or before March 22, 2005. Such written materials should be directed to the Law Enforcement Bureau, Department of Natural Resources, Wallace State Office Building, Des Moines, Iowa 50319-0034; fax (515)281-6794. Persons who wish to convey their views orally should contact the Law Enforcement Bureau at (515)281-4515.

A public hearing will be held on March 22, 2005, at 9 a.m. in the Fourth Floor West Conference Room of the Wallace State Office Building at which time persons may present their views either orally or in writing. At the hearing, persons will be asked to give their names and addresses for the record and to confine their remarks to the subject of the rules.

Any persons who intend to attend the public hearing and have special requirements such as hearing or mobility impairments should contact the Department of Natural Resources and advise of specific needs.

These rules are intended to implement Iowa Code sections 99F.7(13) and 462A.20.

A fiscal impact summary prepared by the Legislative Services Agency pursuant to Iowa Code § 17A.4(3) will be available at <http://www.legis.state.ia.us/IAC.html> or at (515) 281-5279 prior to the Administrative Rules Review Committee's review of this rule making.

The following amendment is proposed.

Adopt the following **new** chapter:

#### CHAPTER 48 INSPECTION OF PERMANENTLY MOORED VESSELS

**571—48.1(462A) Purpose.** This chapter is intended to establish the procedures for compliance with the inspection requirements of Iowa Code sections 99F.7(13) and 462A.20 for the inspection of excursion boats used for gambling that have been removed from navigation and designated as permanently moored vessels by the United States Coast Guard.

#### **571—48.2(462A) Definitions.**

"Commission" means the Iowa racing and gaming commission.

"Permanently moored vessel" or "PMV" means an excursion boat used for gambling, which is removed from navigation and classified as a vessel under Title 46, Code of Federal Regulations, Subchapter K or H, that would have previously required a United States Coast Guard Certificate of Inspection.

**571—48.3(462A) Inspection requirements.** All PMVs shall be inspected by a qualified inspector to determine compliance with the "State of Iowa Permanently Moored Vessel Inspection Requirements," 2005, as adopted herein by reference.

**571—48.4(462A) Inspectors.** Inspections of PMVs shall be conducted by persons meeting the criteria set forth in this rule.

**48.4(1)** All inspectors shall meet at least one of the following criteria:

- a. Have prior experience as a U.S. Coast Guard marine inspector or as a classification society surveyor (recognized by the U.S. Coast Guard); or
- b. Be a classification surveyor acting on behalf of a classification society; or
- c. Be a professional engineer licensed by one of the 50 states; or
- d. Be a professional naval architect or marine engineer.

**48.4(2)** All inspectors shall have the following minimum documented work experience and shall:

- a. Have obtained three years' experience in the examination of steel or aluminum vessels of similar design; and
- b. Be familiar with the regulations and standards under which the vessel was built; and
- c. Be familiar with permanent mooring arrangements and ship structures supporting the same; and
- d. Have experience in marine emergency response operations and planning that is sufficient for the individual to competently review emergency action plans required by these rules; and
- e. Have experience in the investigation of reportable occurrences as described in the "State of Iowa Permanently Moored Vessel Inspection Requirements," 2005.

**571—48.5(462A) Submission.** Any person making application to the commission for the licensing of a PMV shall submit proof to the department of natural resources that the PMV has been inspected by a qualified inspector and that the PMV satisfies all of the requirements of the "State of Iowa Permanently Moored Vessel Inspection Requirements," 2005. All PMVs licensed pursuant to Iowa Code chapter 99F shall submit to the department of natural resources quarterly and annual reports in compliance with all of the requirements of the "State of Iowa Permanently Moored Vessel Inspection Requirements," 2005.



## NATURAL RESOURCE COMMISSION[571](cont'd)

**571—48.6(462A) Notification to the commission.** The department of natural resources shall, within 60 days of receipt of an initial inspection or quarterly or annual report, determine the adequacy of the initial inspection or quarterly or annual report and shall notify the submitting party of such determination. The submitting party shall be given a minimum of 60 days to cure any inadequacy. If the submitting party fails to cure the inadequacy within the applicable time period, a determination of inadequacy shall be forwarded to the commission and shall be subject to the appeal and contested case procedures of the department of natural resources as established by 561—Chapter 7 and adopted by reference at 571—7.1(17A).

These rules are intended to implement Iowa Code sections 99F.7(13) and 462A.20.

**ARC 4033B****NATURAL RESOURCE  
COMMISSION[571]****Notice of Intended Action**

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code section 455A.5, the Natural Resource Commission hereby gives Notice of Intended Action to rescind Chapter 105, “Deer Population Management Areas,” and adopt new Chapter 105, “Deer Population Management Zones,” Iowa Administrative Code.

This amendment simplifies the process for establishing special deer hunts and gives the Natural Resource Commission more flexibility in setting and administering special deer hunts and educational deer hunts.

Any interested person may make written suggestions or comments on the proposed amendment on or before March 22, 2005. Such written materials should be directed to the Wildlife Bureau Chief, Department of Natural Resources, Wallace State Office Building, Des Moines, Iowa 50319-0034; fax (515)281-6794. Persons who wish to convey their views orally should contact the Wildlife Bureau at (515)281-6156 or at the Wildlife Bureau offices on the fourth floor of the Wallace State Office Building.

There will be a public hearing on March 22, 2005, at 9 a.m. in the Fourth Floor East Conference Room of the Wallace State Office Building, at which time persons may present their views either orally or in writing. At the hearing, persons will be asked to give their names and addresses for the record and to confine their remarks to the subject of the amendment.

Any persons who intend to attend the public hearing and have special requirements such as those related to hearing or mobility impairments should contact the Department of Natural Resources and advise of specific needs.

This amendment is intended to implement Iowa Code sections 481A.38, 481A.39, 481A.48 and 483A.8.

A fiscal impact summary prepared by the Legislative Services Agency pursuant to Iowa Code § 17A.4(3) will be available at <http://www.legis.state.ia.us/IAC.html> or at (515) 281-5279 prior to the Administrative Rules Review Committee's review of this rule making.

The following amendment is proposed.

Rescind 571—Chapter 105 and adopt the following **new** chapter in lieu thereof:

**CHAPTER 105****DEER POPULATION MANAGEMENT ZONES**

**571—105.1(481A) Purpose.** The purpose of this chapter is to establish special deer management zones, including educational hunts in those zones, on selected properties managed by the department, county conservation boards, cities, or other governmental jurisdictions, and on private lands. The purpose of the hunts shall be to ensure the harvest of an adequate number of deer to reduce economic and biological damage caused by high deer populations. Selected hunts in deer management zones may be educational hunts and limited to novice hunters to introduce them to deer hunting as a method of deer population control and to encourage safe and ethical hunting.

**571—105.2(481A) Definitions.**

“Commission” means the natural resource commission.

“Department” means the department of natural resources.

“Educational hunts” means hunts in special deer management zones that are limited to hunters who are being introduced to deer hunting.

“Special deer management zones” means defined units of public and private land, including state parks, state recreation areas, county parks, urban areas, and areas managed by other governmental jurisdictions.

“Urban deer management zones” means areas mostly within incorporated city limits including city, county, state, and private land.

**571—105.3(481A) Special deer management zones.** Special deer management zone boundaries, seasons, permitted weapons, and other conditions for hunting shall be designated annually by the commission.

**105.3(1) Seasons.** Deer hunting in a special deer management zone may occur only on dates established by the commission. Season dates may or may not coincide with seasons for general deer hunting outside special deer management zones.

**105.3(2) Licenses.** Every hunter must have in possession a paid special hunting license valid only for the specific special deer management zone. The hunting license shall specify dates of hunting and the type of deer that may be taken as designated by the commission. The special licenses will be issued on a first-come, first-served basis at locations and on dates announced by the commission. Special licenses shall normally be limited to one per person, shall be issued to Iowa residents only and shall cost the same as deer licenses issued during the general deer seasons. The commission may establish procedures for issuing more than one license per person if quotas for any hunt do not fill.

**105.3(3) Permitted weapons.** Only weapons permitted during the general deer seasons may be used. The commission may limit the use of specific weapons in some deer management zones and seasons on a case-by-case basis to improve the safety of hunters and the surrounding area.

**105.3(4) Hunter safety and proficiency.** Hunters may be required to pass a weapons proficiency test or attend a meeting prior to hunting in special deer management zones. The meeting will be used to familiarize hunters with zone boundaries, location of private lands, safety areas around buildings,

## NATURAL RESOURCE COMMISSION[571](cont'd)

access points, objectives of the hunt and other aspects of hunting in a special deer management zone.

**105.3(5) Checking deer.** A hunter who takes a deer may be required to check the deer at a designated headquarters prior to leaving the area.

**105.3(6) Educational hunts.** Hunts in designated special deer management zones may be restricted to youth or novice hunters to introduce them to safe and ethical deer hunting.

a. Age, experience or other eligibility restrictions may be designated by the commission. Zones, seasons and other conditions for hunting will be designated the same as specified in 571—105.3(481A).

b. An adult must accompany each youth participating in an educational hunt. The adult must be licensed as specified in 571—subrule 106.10(1).

**571—105.4(481A) State parks and recreation areas.** A public meeting shall be held in the vicinity of each state park or state recreation area before the park or recreation area is designated as a special deer management zone for the first time. The purpose of the meeting will be to assess the need for and interest in holding a deer population control hunt in that park or recreation area. A summary of public comments received at the meeting shall be included with other recommendations to the commission related to hunting in the state park or state recreation area.

**571—105.5(481A) Urban deer management zones.** Urban deer management zones will be established only upon request from a city government or special urban deer task force and when approved by the natural resource commission. Zones, seasons and other conditions for hunting will be designated the same as specified in 571—105.3(481A).

**105.5(1) Special restrictions.** Cities, deer task forces, or other public entities may require hunters to do one or more of the following: pass a hunter safety and education course, pass a weapons proficiency test, or be approved by the appropriate police department or conservation officer.

**105.5(2) Other methods.** The natural resource commission in cooperation with the city government may approve other methods of deer removal in urban areas.

**571—105.6(481A) Iowa Army Ammunition Plant (IAAP) deer management zone.** The IAAP deer management zone is defined as all federal land administered by the IAAP. Licenses, season dates and other conditions for hunting in the IAAP zone will be designated the same as specified in 571—105.3(481A). The IAAP may establish special restrictions for entering and hunting in the IAAP deer management zone.

**571—105.7(481A) County park deer management zones.**

**105.7(1)** Deer management zones will be established in county parks only after a request from county government and when approved by the commission. Zones, seasons and other conditions for hunting will be designated the same as specified in 571—105.3(481A).

**105.7(2) Special restrictions.** County park managers may require hunters to do one or more of the following: pass a hunter safety and education course, pass a weapons proficiency test, or be approved by the appropriate county sheriff or conservation officer.

**571—105.8(481A) Special deer management zones on private land.** Special deer management zones may be established on private land when approved by the commission. Zones, seasons, and other conditions for hunting will be determined by the commission. Hunters will be required to comply with all applicable regulations specified in 571—Chapter 106.

These rules are intended to implement Iowa Code sections 481A.38, 481A.39, 481A.48 and 483A.8.

**NOTICE—USURY**

In accordance with the provisions of Iowa Code section 535.2, subsection 3, paragraph “a,” the Superintendent of Banking has determined that the maximum lawful rate of interest shall be:

March 1, 2004 — March 31, 2004	6.25%
April 1, 2004 — April 30, 2004	6.00%
May 1, 2004 — May 31, 2004	5.75%
June 1, 2004 — June 30, 2004	6.25%
July 1, 2004 — July 31, 2004	6.75%
August 1, 2004 — August 31, 2004	6.75%
September 1, 2004 — September 30, 2004	6.50%
October 1, 2004 — October 31, 2004	6.25%
November 1, 2004 — November 30, 2004	6.25%
December 1, 2004 — December 31, 2004	6.00%
January 1, 2005 — January 31, 2005	6.25%
February 1, 2005 — February 28, 2005	6.25%
March 1, 2005 — March 31, 2005	6.25%

**ARC 4028B****UTILITIES DIVISION[199]****Notice of Intended Action**

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to Iowa Code sections 17A.4, 17A.5, 476.1, and 476.2, the Utilities Board (Board) gives notice that on February 11, 2005, the Board issued an order in Docket No. RMU-05-5, In re: Amendments to Lifeline and Link-Up Rules [199 IAC 39.3(4) and (5)], “Order Commencing Rule Making” proposing amendments to the Board’s Lifeline and Link-Up rules to comply with new Federal Communications Commission (FCC) requirements. On August 27, 2004, the Board issued an “Order Adopting Emergency Rule” that adopted the new eligibility criteria established by the FCC. The emergency rule was published in IAB Vol. XXVII, No. 6 (9/15/04) p. 418, **ARC 3666B**.

On April 29, 2004, the FCC issued its “Report and Order and Further Notice of Proposed Rulemaking” in WC Docket No. 03-109. In that order, the FCC adopted rules adding three new eligibility criteria for the Lifeline and Link-Up programs. The FCC ordered that participation in the Temporary Assistance to Needy Families program and the National School Lunch Program’s free lunch program be added to the default eligibility criteria. In addition, the FCC ordered that a consumer is eligible to participate in Lifeline and Link-Up if the consumer’s income is at or below 135 percent of the Federal Poverty Guidelines. These new criteria were adopted by the Board in the emergency rule making in Docket No. RMU-04-7.

In addition to creating three new eligibility criteria, the FCC has required that federal default states, such as Iowa, implement certification and verification procedures for the Lifeline and Link-Up programs. The certification procedures require eligible telecommunications carriers (ETCs)

## UTILITIES DIVISION[199](cont'd)

enrolling consumers under the new Federal Poverty Guidelines criteria to certify that participants come within the guidelines. The verification procedures require ETCs to implement measures to verify that program participants continue to meet eligibility requirements once enrolled. Iowa's certification and verification procedures must be in place by June 22, 2005.

The Board in this rule making is proposing additional amendments to ensure that all eligible Iowans are able to qualify for the support of the Lifeline and Link-Up programs. The order containing the background and support for this rule making can be found on the Board's Web site, [www.state.ia.us/iub](http://www.state.ia.us/iub).

Pursuant to Iowa Code sections 17A.4(1)"a" and "b," any interested person may file a written statement of position pertaining to the proposed amendments. The statement must be filed on or before March 22, 2005, by filing an original and ten copies in a form substantially complying with 199 IAC 2.2(2). Utilities are requested to provide an estimate of any additional costs they believe will be generated by the changes in the proposed new rules. All written statements should clearly state the author's name and address and should make

specific reference to this docket. All communications should be directed to the Executive Secretary, Utilities Board, 350 Maple Street, Des Moines, Iowa 50319-0069.

Since these amendments merely implement the new FCC guidelines, an oral presentation is not scheduled at this time. Pursuant to Iowa Code section 17A.4(1)"b," an oral presentation may be requested or the Board on its own motion may determine that an oral presentation should be scheduled.

These amendments are intended to implement Iowa Code sections 476.1, 476.2, and 17A.4.

A fiscal impact summary prepared by the Legislative Services Agency pursuant to Iowa Code § 17A.4(3) will be available at <http://www.legis.state.ia.us/IAC.html> or at (515) 281-5279 prior to the Administrative Rules Review Committee's review of this rule making.

The following amendments are proposed.

ITEM 1. Amend subrule 39.3(4) as follows:

**39.3(4) Application Certification.** The application certification of eligibility for Link-Up or Lifeline rate assistance shall be upon a form as set forth below. The form shall be supplied to the applicant by the eligible carrier.

## LINK-UP AND LIFELINE RATE ASSISTANCE APPLICATION CERTIFICATION

Name \_\_\_\_\_

Address \_\_\_\_\_

Soc. Sec. \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_

Zip \_\_\_\_\_

Phone Number where you may be reached or receive messages (\_\_\_\_) \_\_\_\_\_

Please answer the following questions (indicate by check mark):

1. By filling out this application I (the applicant) request:  
☐ Low-income telephone connection assistance (Link-Up) and/or  
☐ Low-income telephone Lifeline assistance.
2. Have you received Link-Up assistance at the above address in the past?  
☐ Yes  
☐ No

If the answer is "yes," you are not eligible for Link-Up assistance.

3. Are you participating in any of the following programs?  
☐ Medicaid (e.g., Title XIX/Medical, State Supplemental Assistance)  
☐ Food Stamps  
☐ Supplemental Security Income  
☐ Federal Public Housing Assistance Section 8  
☐ Low-Income Home Energy Assistance  
☐ Temporary Assistance to Needy Families program  
☐ National School Lunch Program's free lunch program
4. Is your income at or below 135 percent of the Federal Poverty Guidelines?  
☐ Yes  
☐ No

5. If the answer to No. 4 is yes, provide the number of individuals in your household \_\_\_\_.

I understand completion of this application does not constitute immediate acceptance into these programs. I agree to notify the telecommunications carrier if I cease to participate in any of the public assistance programs I checked above or if my income becomes greater than 135 percent of the Federal Poverty Guidelines.

I certify under penalty of perjury the above information is true. I have read the information on this application and understand I must meet the above qualifications to receive assistance from these programs.

SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_

ITEM 2. Amend subrule 39.3(5) as follows:

**39.3(5) Data collection.** Eligible carriers shall keep records of the number of subscribers receiving Link-Up and Lifeline assistance. Each eligible carrier must keep accurate records of the revenues it forgoes in providing Lifeline and Link-Up. The board requires that the carrier file information with the federal administrator demonstrating the carrier's Lifeline and Link-Up plans meet the federal criteria, the

number of qualifying low-income consumers, and stating there are no state contributions.

*In addition, eligible carriers shall mail each year to 1 percent of Lifeline and Link-Up subscribers the verification form set out below. Eligible carriers shall then verify on their annual report that they have performed the required verification.*

UTILITIES DIVISION[199](cont'd)

*LINK-UP AND LIFELINE RATE ASSISTANCE VERIFICATION FORM*

Name \_\_\_\_\_ SSN \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

*I am currently receiving Low-income monthly telephone bill assistance (Lifeline) at the following:*

Phone Number: \_\_\_\_\_

Address: \_\_\_\_\_

*I am currently participating in the following program(s):*

\_\_\_\_\_ Medicaid (e.g., Title XIX/Medical, State Supplemental Assistance);

\_\_\_\_\_ Food Stamps;

\_\_\_\_\_ Supplemental Security Income;

\_\_\_\_\_ Federal Public Housing Assistance Section 8;

\_\_\_\_\_ Low-Income Home Energy Assistance;

\_\_\_\_\_ Temporary Assistance to Needy Families program;

\_\_\_\_\_ National School Lunch Program's free lunch program; or

\_\_\_\_\_ My income is at or below 135 percent of the Federal Poverty Guidelines.

*I agree to notify the telecommunications carrier if I cease to participate in any of the public assistance programs I checked above or if my income becomes greater than 135 percent of the Federal Poverty Guidelines.**I certify under penalty of perjury the above information is true. I have read the information on this application and understand I must meet the above qualifications to receive assistance from these programs.*

SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_

## ARC 4009B

ADMINISTRATIVE SERVICES  
DEPARTMENT[11]

## Adopted and Filed Emergency

Pursuant to the authority of Iowa Code section 8A.104, the Department of Administrative Services hereby amends Chapter 1, "Department Organization," Iowa Administrative Code.

These amendments reflect modifications to the organization of the Department of Administrative Services that will help meet the Department's strategic goals of improving customer service, saving money, streamlining operations, and enhancing resource flexibility.

In compliance with Iowa Code section 17A.4(2), the Department finds that notice and public participation are unnecessary and impracticable because, pursuant to Iowa Code section 7E.2(3) and (4), the Department Director, subject to applicable statute and approval of the Governor, has the authority to establish the internal organization of the Department to promote economic and efficient administration and operation.

The Department also finds, pursuant to Iowa Code section 17A.5(2)"b"(2), that the normal effective date of the amendments should be waived and these amendments made effective upon filing because implementation of the reorganization of the Department and revision of the Department's mission statement confers a benefit to the public.

The Department of Administrative Services adopted these amendments on February 1, 2005.

These amendments are also published herein under Notice of Intended Action as **ARC 4008B** to allow public comment.

These amendments are intended to implement Iowa Code chapter 8A and sections 7E.5 and 17A.3.

These amendments became effective February 1, 2005.

A fiscal impact summary prepared by the Legislative Services Agency pursuant to Iowa Code § 17A.4(3) will be available at <http://www.legis.state.ia.us/IAC.html> or at (515) 281-5279 prior to the Administrative Rules Review Committee's review of this rule making.

The following amendments are adopted.

ITEM 1. Amend **11—Chapter 1** by replacing all parenthetical references to "80GA,HF534" with references to "8A."

ITEM 2. Amend subrule 1.2(4) as follows:

**1.2(4)** State accounting enterprise location. The state accounting enterprise's primary office is located in the Hoover State Office Building, ~~Fourth~~ *Third* Floor, 1305 East Walnut Street, Des Moines, Iowa 50319; telephone (515)281-3206 4877. Office hours are 8 a.m. to 4:30 p.m., Monday through Friday, excluding holidays.

ITEM 3. Amend rule **11—1.3(8A)**, second unnumbered paragraph, as follows:

Specific powers and duties of the department, its director, boards, task forces, advisory panels, and employees are set forth in Iowa Code chapters 8A, 19B, 20, 70A, and 509A; 2003 Iowa Acts, House File 534; and these administrative rules.

ITEM 4. Amend subrule **1.4(1)**, paragraphs "a" to "c," as follows:

a. Capitol complex maintenance. The capitol complex maintenance division is responsible for the assignment of of-

fice space and the maintenance, appearance, and facility sanitation of the capitol complex buildings and grounds, including environmental control (heating, ventilation and cooling) and all support features including, but not limited to, parking lot maintenance, main electrical distribution, water supply, wastewater removal, *on-site safety consultation*, and major maintenance projects associated with the capitol complex. ~~Distribution of state surplus property is managed by Iowa Prison Industries under an agreement with the department.~~

b. Design and construction. The design and construction division is responsible for vertical infrastructure management; building and monument restoration; management of leases and office space on and off the capitol complex; *assignment of office space on the capitol complex*; utilities management; and management of capital projects, including architectural, engineering, and construction management services for state agencies except for the board of regents, the department of transportation, the national guard, the natural resource commission and the Iowa public employees' retirement system.

c. Fleet, ~~and mail and printing~~. The fleet, ~~and mail and printing~~ division is responsible for the management of vehicular risk and travel requirements for state agencies not exempted by law, ~~and for the processing and delivering of mail for state agencies on the capitol complex and in the Des Moines metro area, and for printing and printing procurement services.~~

d. ~~Printing~~. The printing division is responsible for all copy machines; formal bids, contracts, and bonds for printing purchases; ~~centralized printing; maintaining satellite copy centers on the capitol complex; and publication of certain state documents.~~

e d. Service delivery. The service delivery division is responsible for the following functions for the enterprise: ~~customer satisfaction activities including administration of parking and building access, receipt of work requests, collection of parking fines and other payments, coordination of special events, general information, and work requests for on the capitol complex, and serving as a focal point for general information regarding use of the capitol complex; statewide purchasing and electronic procurement, including managing procurement of commodities, equipment and services for all state agencies not exempted by law; and administration receipt and distribution of federal surplus property; and activities in support of process improvement, strategic planning and implementation of accountable government requirements.~~

ITEM 5. Amend subrule **1.4(2)**, paragraphs "a" to "c," as follows:

a. ~~Risk and benefits management~~ *Benefits*. The risk and benefits ~~management~~ division administers and coordinates the provision of health, dental, life, and disability insurance programs; employee leave programs; workers' compensation, return to work, and loss control and safety programs; 457 deferred compensation; 403(b) tax-sheltered annuity and 401(a) employer match programs; unemployment insurance; flexible spending and premium conversion programs for state employees.

b. ~~Employment and organizational development~~. The employment and ~~organizational development~~ division provides application, referral, recruitment, selection, EEO/AA and diversity services related to state employment; ~~organization and employee development services including work force planning and performance evaluation; administration of the state classification and compensation programs; and audit of personnel and payroll transactions.~~

## ADMINISTRATIVE SERVICES DEPARTMENT[11](cont'd)

c. Program delivery services. The program delivery services division is responsible for employment relations between the state and the certified employee representative; provides consultative services to state departments, boards, and commissions on human resource program matters; *provides organization and employee development services including workforce planning and performance evaluation*; and represents the state in contested case matters regarding such programs.

ITEM 6. Amend subrule 1.4(3) as follows:

**1.4(3)** Information technology enterprise. The mission of the information technology enterprise is to provide high-quality, customer-focused information technology services and business solutions to government and to citizens. The director appoints the ~~chief information officer for the state, who also serves as the~~ chief operating officer of the enterprise. The following divisions have been established within the information technology enterprise:

a. ~~Applications development and digital government Application and E-government services.~~ The ~~applications development and digital government application and E-government services~~ division is responsible for support of departmental information technology services; providing *software* applications development, support, and training; and providing advice and assistance in developing and supporting business applications throughout state government.

b. Infrastructure services. The infrastructure services division is responsible for providing server systems, including mainframe and other server operations; , and desktop support; and applications integration.

c. Integrated information for Iowa (I-3 I/3) project. The I-3 I/3 project office is ~~responsible for the integration of information technology into all business aspects of state government. Through effective integration of information with innovative redesign of business process, I-3's provides the strategic direction, functional deployment, and technical support for the I/3 system, including the enterprise accounting, procurement, budget preparation, human resources and payroll functions for the state of Iowa. I/3's vision is to provide greater responsiveness to customers, improved productivity, increased accountability and efficient delivery of services across state government, and consistent and accurate information that Iowans want.~~

d. ~~Planning and administrative services.~~ The ~~planning and administrative services~~ division is responsible for the administrative functions of the information technology enterprise. This division is also responsible for all information technology purchasing and contract administration for the information technology enterprise.

e d. Advisory groups.

(1) and (2) No change.

ITEM 7. Amend subrule 1.4(4) as follows:

**1.4(4)** State accounting enterprise. The state accounting enterprise was created to provide for the efficient management and administration of the financial resources of state government. *The chief operating officer, appointed by the director, heads the enterprise.* The following ~~divisions~~ functional units have been established within the state accounting enterprise:

a. ~~Centralized payroll; Accounting and daily processing.~~ *The accounting and daily processing bureau includes the functions of daily processing, income offset, and financial systems.*

b. *Daily processing; Other sections. The state accounting enterprise also includes the financial reporting section, the I/3 program team, and the centralized payroll section.*

e. ~~Financial reporting;~~

d. ~~Financial systems;~~

e. ~~Income offset.~~

ITEM 8. Rescind subrule 1.4(5) and adopt the following **new** subrule in lieu thereof:

**1.4(5)** Central administration.

a. The director is the chief executive officer for the department and the chief information officer for the state. The director's central administration area provides support to the director and to the governmental and business operations of the department and its enterprises. The following functions are included in this area: general counsel; legislative liaison; rules administrator; strategic, performance, and business continuity planning; program oversight and accountability; and departmental and enterprise policy and standards development, including enterprise information technology standards.

b. Information security office. The information security office is responsible for developing, implementing and maintaining information security policies, standards, and practices that enhance the confidentiality, integrity and availability of computer systems and electronic data resources, and for ensuring enterprise-wide compliance with security requirements. This office includes the chief information security officer for state government.

c. Marketing, communications and council support. Marketing, communications and council support supplies the department's media, public relations, and employee communications services; supports product and service marketing within each of the department's enterprises; and coordinates customer council activities for the department.

ITEM 9. Amend subrule 1.4(6) as follows:

**1.4(6)** Shared services. ~~The following divisions and functions have been established to provide support for department functions.~~

a. ~~Finance Customer management, finance and internal operations.~~ *This division provides customer management, finance and internal operations division is to provide efficient and effective oversight, financial administration, and support to the department in a manner that provides accurate and timely financial and budget information, safeguards assets, and facilitates fiscally responsible, employee-centered and customer-focused decision making for the department. The division establishes and implements internal control processes, procedures and segregation of duties to account for departmental funds and expenditures, bills and collects for department services, provides the means to maximize resources of the department, and provides DAS with the tools and support needed to establish rates and assess financial performance and risk. In addition, for the state enterprise as a whole, the division oversees statewide fixed asset inventory reporting and reviews information technology acquisition requests from participating agencies. The functional units of the customer management, finance and internal operations division are:*

a. *Activity-based costing;*

b. *Accounts payable, purchasing, human resources, and administrative support;*

c. *Financial reporting and budget; and*

d. *Accounts receivable, billing, collections, and customer resource management.*

b. ~~Internal operations.~~ *The internal operations division provides internal support services for the daily operations of the department. Among the services provided are inbound and outbound mail distribution, purchase of consumables, personnel assistant and related human resources support,*

## ADMINISTRATIVE SERVICES DEPARTMENT[11](cont'd)

~~travel coordination, facilities management, printing coordination, on-site safety consultation, records management, and emergency planning and response support.~~

~~c. Marketing and communications. Marketing and communications supplies the department's media, public relations, and employee communications services; supports product and service marketing within each of the department's enterprises; and coordinates customer council activities for the department.~~

ITEM 10. Add the following **new** implementation clause after rule **11—1.4(8A)**:

These rules are intended to implement Iowa Code chapter 8A and sections 7E.5 and 17A.3.

ITEM 11. Rescind the implementation clause at the end of **11—Chapter 1**.

[Filed Emergency 2/1/05, effective 2/1/05]

[Published 3/2/05]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/2/05.

**ARC 4011B**

## **ADMINISTRATIVE SERVICES DEPARTMENT[11]**

### **Adopted and Filed Emergency After Notice**

Pursuant to the authority of Iowa Code sections 8A.104 and 8A.121, the Department of Administrative Services hereby amends Chapter 10, "Customer Councils," Iowa Administrative Code.

Amendments proposed after assessment of the first year of working with customer councils change the starting and ending dates of new members' terms. New council members' terms now start on July 1 and end on June 30. Current rules require that customer councils establish the rate setting procedure for utility services by September 1 in order to meet the time frames of the state budgeting process. These amendments will prevent the work of the customer councils from being disrupted by a change in membership in the final months of the annual rate setting deliberations by changing the new term start date to September 1 and end date to August 31.

These amendments also change the Department's customer complaint resolution process. Experience gained during the first year of working with utility services has indicated that, for effective resolution, complaints should be handled by staff most closely involved with the service provided. The Director will be responsible for final action on complaint resolution. Accordingly, the Department's core administrative staff and customer council members have been removed from the process. These amendments provide general standards for the Department's complaint resolution process. The specific procedures utilized by each of the Department's Enterprises must meet these standards and be approved by the respective customer council.

Notice of Intended Action was published in the Iowa Administrative Bulletin on January 5, 2005, as **ARC 3926B**.

A public hearing was held on January 25, 2005, at 11 a.m. in Conference Room 4 at the Hoover State Office Building, Level A, Des Moines. No one attended the hearing, and no

oral or written comments were received. These amendments are identical to those published under Notice.

Pursuant to Iowa Code section 17A.5(2)"b"(2), this amendment became effective on February 10, 2005. The Director finds that this amendment confers a benefit on state agencies and the public. Customer council members will be able to complete the annual rate setting process for utility services overseen by the council without the disruption of membership changes, and the Department's customers will have access to a new, more effective complaint resolution process.

These amendments are intended to implement Iowa Code section 8A.121.

These amendments became effective on February 10, 2005.

The following amendments are adopted.

ITEM 1. Amend subrule 10.5(1) as follows:

**10.5(1)** Method of appointment of members.

a. Executive branch agency representation. Each customer council will include three members from large agencies, three members from medium-sized agencies and three members from small agencies.

(1) No change.

(2) Review. The directors or directors' designees from each agency size group shall review representation on each customer council prior to ~~June August~~ 1 of each year for the terms ending ~~June 30 August 31~~ of that year and *select customer council members as in subparagraph (1) to fill vacancies caused by expired terms. The directors or directors' designees shall use the process in subparagraph (1) to fill an executive branch customer council position that becomes vacant before the end of the term. This action shall occur by the end of the month following the month in which the vacancy occurred.* An agency may provide representatives to fill no more than one position on a customer council at one time. The department will periodically review the definition of large, medium-sized and small agencies based on the number of employees of the agencies in Iowa state government and make adjustments accordingly.

b. No change.

c. Additional members. A member of the public and a member of a union representing state employees involved in providing services overseen by the council shall be selected before the customer council's second meeting after July 1, 2003, by the ~~department~~ agency directors or their designees. Subsequently, the ~~department~~ agency directors or their designees shall make these selections prior to ~~June August~~ 1 of the year the term expires. *The directors or directors' designees shall select the member of the public or the union representative to fill the respective customer council position that becomes vacant before the end of the term. This action shall occur by the end of the month following the month in which the vacancy occurred.*

d. No change.

ITEM 2. Amend subrule 10.5(3) as follows:

**10.5(3)** Term of membership. Each member will serve a three-year term; however, to ensure continuity of council functions, the first term for one representative of the large agencies, one representative of the medium-sized agencies, and one representative of the small agencies, and for the public member will be a two-year term; and one member from each agency size group and the union member will start with a four-year term. The agencies filling the initial two-year and four-year terms shall be selected by a vote of the members from agencies in each respective size group.

## ADMINISTRATIVE SERVICES DEPARTMENT[11](cont'd)

a. Initial membership terms shall begin on July 1, 2003. *Beginning in 2005, membership terms shall begin on September 1.*

b. *Each customer council member serving on June 30, 2005, shall have the member's term extended by two months, ending on August 31 of the year in which the term expires.*

ITEM 3. Amend subrule 10.6(3) as follows:

**10.6(3) Officers.** *The elected officers of each customer council shall be the chairperson and vice chairperson. Officers shall be elected at the first meeting after July September 1 each year by a simple majority of the voting members present and may be removed by a simple majority of the voting members present. The elected officers of each customer council shall be the chairperson and vice chairperson.*

ITEM 4. Rescind subrule 10.7(2) and adopt in lieu thereof the following **new** subrule:

**10.7(2) Complaint resolution.** The customer council shall approve the internal procedure for resolution of complaints concerning the utility services provided by DAS. The procedure shall include, at a minimum, the following provisions:

a. A definition of "complaint," which shall convey that this resolution process does not take the place of any other formal complaint, grievance or appeal process required by statute or rule.

b. A designation of one or more employees responsible for receiving and recording complaints.

c. Receipt and resolution of complaints by the area of the department providing the service.

d. Standards for prompt complaint resolution.

e. Provisions to aggregate, analyze and communicate issues and outcomes in a manner that contributes to overall organizational improvement.

f. Identification of the director's decision as the final step in the process.

[Filed Emergency After Notice 2/9/05, effective 2/10/05]

[Published 3/2/05]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/2/05.

## ARC 4016B

### HUMAN SERVICES DEPARTMENT[441]

#### Adopted and Filed Emergency After Notice

Pursuant to the authority of Iowa Code section 234.6 and 2003 Iowa Acts, chapter 178, section 44, the Department of Human Services amends Chapter 7, "Appeals and Hearings," and rescinds Chapter 186, "Child Welfare Targeted Case Management Services," and adopts new Chapter 186, "Community Care," Iowa Administrative Code.

These amendments:

- Rescind Chapter 186. Child welfare targeted case management was an initiative that was not approved by the federal Centers for Medicare and Medicaid. Consequently, there was no funding source, and the initiative was never implemented.

- Replace Chapter 186 with a new chapter titled "Community Care." This chapter is the first in a series of amendments to implement the redesign of the Iowa child welfare

system mandated by 2003 Iowa Acts, chapter 178, section 44.

The purpose of community care is to keep the children in the family safe from abuse and neglect, keep the family intact, prevent the need for further intervention by the Department, and build linkages to community-based resources that improve the family's safety, health, stability, and well-being.

The community care provider will be responsible for connecting families to community resources and services, monitoring services, providing ongoing assessment, and responding to the needs of families in crisis. The family will not be referred to juvenile court, and the Department will not have an open service case on the family.

Community care will be provided through a single statewide performance-based contract to families that have service needs but do not meet the criteria for service through the Department. The Department issued a Request for Proposal (# BDPS-05-027) for bidders on the community care contract in October 2004. On January 5, 2005, the Department announced its intention to begin contract negotiations with Mid-Iowa Family Therapy, Inc., of Perry.

These amendments provide that the Department will refer families to the community care provider when there has been an abuse report on the family and the Department's assessment indicates either that:

- Abuse is not confirmed, but the child is believed to be at moderate or high risk of future abuse or neglect;
- Abuse is confirmed but not founded, and the child is believed to be at moderate or high risk of future abuse or neglect; or
- Abuse is founded, but the child is six years of age or older and is believed to be at a low risk of repeated abuse.

Disputes over the provision of community care will be addressed through the community care provider's dispute resolution process. However, the family does have appeal rights with the Department over the referral to community care and when the provider's dispute resolution process has been exhausted without a resolution satisfactory to the family.

These amendments do not provide for waivers in specified situations because families may request a waiver under the Department's general rule on exceptions at rule 441—1.8(17A,217). Also, allowing families dissatisfied with the provision of community care services to appeal to the Department provides a benefit to these families.

Notice of Intended Action on these amendments was published in the Iowa Administrative Bulletin on December 22, 2004, as **ARC 3893B**. The Department scheduled nine public hearings around the state to receive comments on these amendments. Six people attended the hearings and asked questions about the contract and how the program would work.

The Department has made one change to the rules as proposed in the Notice of Intended Action: the word "persons" was substituted for the words "family members" in the definition of "family" in rule 441—186.1(234). The definition now reads:

"'Family' means the persons comprising the household where the alleged victim of child abuse resides."

The Council on Human Services adopted these amendments on February 9, 2005.

Pursuant to Iowa Code section 17A.5(2)"b"(1), the Department finds that the normal effective date of these amendments should be waived, as authorized by 2003 Iowa Acts, chapter 178, section 44, subsection 7.

These amendments became effective on March 1, 2005.



## HUMAN SERVICES DEPARTMENT[441](cont'd)

These amendments are intended to implement Iowa Code section 234.6 and 2003 Iowa Acts, chapter 178, section 44. The following amendments are adopted.

ITEM 1. Amend rule **441—7.1(17A)**, definition of “aggrieved person,” numbered paragraph “4,” by adding the following two **new** bulleted paragraphs:

- Who has not been referred to community care as provided in rule 441—186.2(234).
- Who has been referred to community care as provided in rule 441—186.2(234) and has exhausted the community care provider’s dispute resolution process.

ITEM 2. Rescind 441—Chapter 186 and adopt the following **new** chapter in lieu thereof:

CHAPTER 186  
COMMUNITY CARE

PREAMBLE

These rules define and structure community care services. Services are provided through a single statewide performance-based contract for the development and delivery of community care in all rural and urban areas of the state.

**441—186.1(234) Definitions.**

“At risk” means that potential exists within the family for some level of child abuse or neglect.

“Child” means a person who is under 18 years of age.

“Child abuse assessment” means the process by which the department carries out its legal mandate to ascertain if child abuse has occurred, record findings, develop conclusions based upon evidence, address the safety of the child and family functioning, engage the family in services if needed, enhance family strengths, and address needs in a culturally sensitive manner.

“Community care” means child- and family-focused services and supports provided to families referred from the department. Services shall be geared toward keeping the children in the family safe from abuse and neglect; keeping the family intact; preventing the need for further intervention by the department, including removal of the child from the home; and building ongoing linkages to community-based resources that improve the safety, health, stability, and well-being of families served.

“Confirmed” means the department has determined that a preponderance of credible evidence (greater than 50 percent) indicates that child abuse has occurred.

“Department” means the Iowa department of human services.

“Family” means the persons comprising the household where the alleged victim of child abuse resides.

“Founded” means the department has determined that a preponderance of credible evidence (greater than 50 percent) indicates that child abuse occurred and the circumstances meet the criteria for placement on the central abuse registry.

“Not confirmed” or “unconfirmed” means the department has determined that there is not a preponderance of credible evidence (greater than 50 percent) indicating that child abuse has occurred.

**441—186.2(234) Eligibility.** A family’s eligibility for community care is established by department referral to the community care contractor.

**186.2(1)** Referral indicated. The department will refer a family for community care when all of the following conditions exist:

- a. A child abuse assessment has identified a need for community care.

b. The child abuse assessment findings are one of the following:

(1) Abuse is not confirmed, but the child is believed to be at moderate to high risk of future abuse or neglect; or

(2) Abuse is confirmed but not founded, and the child is believed to be at moderate or high risk of future abuse or neglect; or

(3) Abuse is founded, the child is six years of age or older, and the child is believed to be at low risk of repeat abuse.

c. The family has voluntarily agreed to be referred to community care.

**186.2(2)** Referral not indicated. The department will not refer a family for community care when:

a. A child has been adjudicated a child in need of assistance. Court orders are not used as a mechanism for families to receive community care.

b. Any child in the household has an open child welfare service case with the department.

**441—186.3(234) Services provided.** The department has a single contract for development and delivery of community care in all rural and urban areas of the state. The contractor shall meet the following expectations, either directly, through subcontract, or through a provider network or consortium.

**186.3(1)** The community care contractor shall serve families at risk of child abuse or neglect referred through the contract, including families from a wide range of cultural, racial, and ethnic groups and those with limited English proficiency.

**186.3(2)** The community care contractor shall assess individual child needs, family functioning, and potential child and family risk factors.

**186.3(3)** The community care contractor shall respond to the needs of community care families in crisis.

**186.3(4)** The community care contractor shall connect families to a wide range of community resources and services that are responsive to the families’ presenting needs at the time of referral, in keeping with community standards of care and evidence-based research.

**186.3(5)** The community care contractor shall connect families to community resources and services that are responsive to the identified needs of the family.

**186.3(6)** The community care contractor shall have a service referral network that is readily accessible, available, and convenient to families in all areas served by the contract.

**186.3(7)** The community care contractor shall provide ongoing assessment of the services provided.

**186.3(8)** The community care contractor shall ensure coordination of referrals from the department’s offices statewide.

**186.3(9)** The community care contractor shall monitor and document service utilization.

**186.3(10)** The community care contractor shall achieve minimum performance targets as specified in the contract.

**441—186.4(234) Appeals.** A person or family may appeal the decisions of a community care contractor only after exhausting the contractor’s dispute resolution process, as outlined in the contract with the department for provision of community care. If it is verified that the contractor’s dispute resolution process has been exhausted, a person or family who wants to appeal the decisions of a community care contractor may do so under the provisions of 441—Chapter 7.

## HUMAN SERVICES DEPARTMENT[441](cont'd)

These rules are intended to implement Iowa Code section 234.6 and 2003 Iowa Acts, chapter 178, section 44.

[Filed Emergency After Notice 2/10/05, effective 3/1/05]  
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EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/2/05.

**ARC 4019B****HUMAN SERVICES  
DEPARTMENT[441]****Adopted and Filed Emergency**

Pursuant to the authority of Iowa Code section 234.6 and 2003 Iowa Acts, chapter 178, section 44, the Department of Human Services amends Chapter 182, "Family-Centered Services," Iowa Administrative Code.

These amendments modify the definition of child welfare family-centered supervision services by:

- Expanding the purpose of the services beyond enabling the family to use and benefit from other rehabilitative or nonrehabilitative services to encompass promoting the safety, permanency, and well-being of the child.
- Adding inspection and monitoring of the safety and suitability of a family's home environment and oversight of family participation in services as permitted service activities.

These amendments also remove the requirement that children must be receiving a treatment service from the Department or some other source as a condition of eligibility for receiving family-centered supervision service. Monitoring and oversight of children to assess their safety and well-being and the adequacy of their living environment are often most needed when the Department first encounters the children, frequently following a report of maltreatment. At that stage, children are not yet involved with a treatment service. Requiring children to receive a treatment service before they can receive supervision services can delay the basic monitoring of their safety and well-being and result in treatment that may not be needed. Allowing the delivery of family-centered supervision as a "stand-alone" service will enable the Department to respond more quickly and flexibly in delivering child welfare services.

These amendments do not provide for waivers in specified situations because they remove restrictions and expand coverage of the services. Individuals who believe themselves disadvantaged by the rules may request a waiver under the Department's general rule on exceptions at 441—1.8(17A, 217).

The Council on Human Services adopted these amendments February 9, 2005.

In compliance with Iowa Code section 17A.4(2), the Department finds that notice and public participation are unnecessary because these amendments implement 2003 Iowa Acts, chapter 178, section 44, which authorizes the Department to adopt rules without notice and public participation.

The Department also finds, pursuant to Iowa Code section 17A.5(2)"b"(1), that the normal effective date of these amendments should be waived, as authorized by 2003 Iowa Acts, chapter 178, section 44.

These amendments are also published herein under Notice of Intended Action as **ARC 4013B** to allow for public comment.

These amendments are intended to implement Iowa Code section 234.6 and 2003 Iowa Acts, chapter 178, section 44.

These amendments became effective March 1, 2005.

A fiscal impact summary prepared by the Legislative Services Agency pursuant to Iowa Code § 17A.4(3) will be available at <http://www.legis.state.ia.us/IAC.html> or at (515) 281-5279 prior to the Administrative Rules Review Committee's review of this rule making.

The following amendments are adopted.

ITEM 1. Amend rule **441—182.1(234)**, definition of "supervision services," as follows:

"Supervision services" means the activities undertaken to provide the structured monitoring and behavioral oversight needed by a child and or the child's family to use and benefit from the rehabilitative treatment services defined in 441—Chapter 185, the nonrehabilitative treatment services outlined in this chapter, or treatment services provided through other funding sources such as private insurance, private payment, or Medicaid managed health care achieve or maintain safety, permanency, and well-being. These activities may include the following:

1. ~~behavior~~ Behavior monitoring; ;
2. ~~Inspection and monitoring of the home environment of a child's parent or other relative to evaluate its safety and suitability;~~
3. ~~oversight~~ Oversight of family participation in services; ;
4. ~~monitoring~~ Monitoring of an individual's a child's ability to adjust within the community; ; and
5. ~~guidance~~ Guidance for the family on how to improve their adjustment. Service programs such as in-home supervision and detention that use a combination of direct family contact, collateral contacts with schools and service providers, and indirect behavioral monitoring contacts with the family are examples of supervision services.

ITEM 2. Amend subrule 182.2(1) as follows:

**182.2(1)** Eligibility for supportive services. Children shall be eligible for family-centered supportive services without regard to income when the department worker has determined there is a need for services, as evidenced by one of the following situations, and family-centered rehabilitative treatment services have been authorized in compliance with the procedures of rule 441—185.4(234), nonrehabilitative treatment services have been approved through procedures outlined in this chapter, or the department worker believes that comparable treatment services are being provided through another funding source. However, respite care services for families of MR/DD children, as defined in 441—Chapter 180, Division I, may be provided as a family-centered supportive service with or without provision of family-centered rehabilitative treatment or other treatment services.

a. Families with children who are experiencing problems they have not been able to alleviate or solve that place the family in danger of separation through an out-of-home placement of one or more of the children.

b. Children are in out-of-home placement, family reunification is the case plan, and services for the children and their families are necessary to achieve this goal or family reunification is not the case plan goal but services for the child from a family-centered provider are determined by the referral worker to be necessary in order to maintain the child's productive relationship with a previous provider, to provide a type of service program not available under the out-of-home

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placement program, or to maintain the child's permanent placement.

c. Families with children who are experiencing problems they have not been able to alleviate or solve through their own efforts that place one or more of the family's children in danger of abuse, neglect or exploitation if the families meet the eligibility guidelines established in rule 441—175.4(235A).

d. Children have returned home from out-of-home placement, and services are needed to maintain reunification.

[Filed Emergency 2/10/05, effective 3/1/05]

[Published 3/2/05]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/2/05.

**ARC 4027B****AGRICULTURE AND LAND  
STEWARDSHIP DEPARTMENT[21]****Adopted and Filed**

Pursuant to the authority of Iowa Code sections 159.5(11) and 198.10(1), the Department of Agriculture and Land Stewardship hereby adopts an amendment to Chapter 41, "Commercial Feed," Iowa Administrative Code.

The rules in Chapter 41 describe the regulations and labeling requirements for commercial feed products. This amendment adds a new rule establishing a requirement that a laboratory analysis for aflatoxin B1 accompany shipments of whole cottonseed being sold in Iowa for animal feed use. This amendment does not contain a waiver, but is subject to the Department's general waiver.

Notice of Intended Action was published in the Iowa Administrative Bulletin on November 24, 2004, as **ARC 3822B**. No comments were received during the public comment period. This adopted amendment is identical to the amendment published under Notice of Intended Action.

This amendment is intended to implement Iowa Code chapter 198.

This amendment shall become effective on April 6, 2005. The following amendment is adopted.

Amend 21—Chapter 41 by adopting the following **new** rule:

**21—41.12(198) Cottonseed product control.** As a condition of entry into Iowa, all shipments of whole cottonseed being sold for animal feed use shall be accompanied by a laboratory analysis for aflatoxin B1. The distributor shall provide the laboratory analysis with the bill of lading or invoice to the first purchaser of the whole cottonseed being sold for animal feed use. The first purchaser shall provide a copy of the laboratory analysis to each subsequent purchaser. The whole cottonseed being sold for animal feed use must meet all livestock feeding guidelines established by the Food and Drug Administration regarding aflatoxin B1. Whole cottonseed sold for animal feed use which does not meet the guidelines established by the Food and Drug Administration will be considered adulterated under the provisions of Iowa Code section 198.7.

[Filed 2/11/05, effective 4/6/05]

[Published 3/2/05]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/2/05.

**ARC 4026B****AGRICULTURE AND LAND  
STEWARDSHIP DEPARTMENT[21]****Adopted and Filed**

Pursuant to the authority of Iowa Code sections 159.5 and 201A.8, the Department of Agriculture and Land Stewardship hereby adopts an amendment to Chapter 43, "Fertilizers and Agricultural Lime," Iowa Administrative Code.

The rules in Chapter 43 concern the regulation, certification and storage of fertilizers and agricultural liming prod-

ucts. This amendment adds a new rule pertaining to the prevention of soil contamination that occurs after agricultural liming material that consists primarily of egg shells is exposed to precipitation. This amendment does not contain a waiver, but is subject to the Department's general waiver. The Department of Natural Resources will require permits relating to solid waste handling if a rule is not enacted.

Notice of Intended Action was published in the Iowa Administrative Bulletin on November 24, 2004, as **ARC 3823B**. No comments were received during the public comment period. This adopted amendment is identical to the amendment published under Notice of Intended Action.

This amendment is intended to implement Iowa Code chapter 201A.

This amendment shall become effective on April 6, 2005. The following amendment is adopted.

Amend 21—Chapter 43 by adopting the following **new** rule:

**21—43.40(201A) Egg shells.** The following shall apply to any agricultural liming material that consists primarily of egg shells:

1. With the exception of paragraph "2," the material shall be stored in a structure that prevents precipitation from contacting the stored material.

2. The material may be stored in a manner not meeting the requirements of paragraph "1" for a period of not more than 14 days in the field where the material will be land-applied.

[Filed 2/11/05, effective 4/6/05]

[Published 3/2/05]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/2/05.

**ARC 4021B****BANKING DIVISION[187]****Adopted and Filed**

Pursuant to the authority of Iowa Code sections 17A.3 and 524.213, the Banking Division of the Commerce Department hereby adopts amendments to Chapter 1, "Description of Organization," Chapter 2, "Application Procedures," Chapter 4, "State Banking Board," Chapter 7, "Public Records and Fair Information Practices," Chapter 8, "General Banking Powers," Chapter 9, "Investment and Lending Powers," Chapter 10, "Electronic Transfer of Funds," and Chapter 11, "Contested Cases," Iowa Administrative Code.

The amendments update existing rules to conform to recent legislative changes and an annual review for necessary corrections.

Notice of Intended Action was published in the Iowa Administrative Bulletin on January 5, 2005, as **ARC 3919B**. A public hearing was held on Tuesday, January 25, 2005, at 10 a.m. in the Banking Division Conference Room at 200 East Grand Avenue. Several members of the public attended the public hearing, and two persons provided comments objecting to the rescission of subrule 9.2(5). The Banking Division received one additional written comment from the public in support of the proposed amendments.

As a result of the public comments received, these amendments contain substantial changes from the amendments published under Notice of Intended Action. The changes,

## BANKING DIVISION[187](cont'd)

however, are in character with the original scheme and are a logical outgrowth of the Notice of Intended Action and the public comments received in response to the Notice. The adopted amendments retain subrule 9.2(5), evidence of title, and as a result of the decision to retain subrule 9.2(5), these amendments also retain subrules 9.2(8) and 9.2(9), with a minor revision to subrule 9.2(9). No other changes to the amendments as published in the Notice have been made.

The Superintendent of Banking adopted these amendments on February 9, 2005.

These amendments will become effective on April 6, 2005.

These amendments are intended to implement Iowa Code sections 17A.3 and 524.213.

The following amendments are adopted.

ITEM 1. Amend rule 187—1.2(17A,524) to read as follows:

**187—1.2(17A,524) Scope and application.** This chapter describes the office of the superintendent; ~~and the established place at which, the employees from whom and the methods whereby the public may obtain information, make submittals on requests or obtain decisions; and the forms available or the place at which forms and instructions as to the scope and contents of all papers, reports, or examinations may be obtained.~~

ITEM 2. Amend rule 187—1.3(17A,524) to read as follows:

**187—1.3(17A,524) Division of banking.** The division of banking is a subdivision of the department of commerce and consists of the superintendent and those employees who discharge the duties and responsibilities imposed upon the superintendent by the laws of this state. The superintendent has general control, supervision and regulatory authority over all state-chartered banks, regulated loan companies, industrial loan companies, mortgage bankers, brokers, and registrants, delayed deposit service licensees, persons licensed to engage in the business of debt management and persons licensed to engage in the business of selling written instruments for the transmission or payment of money over all entities which the division is given authority to regulate pursuant to the Code of Iowa. The division consists of two separate bureaus. The bank bureau has primary responsibility relating to the supervision, regulation and chartering of state banks. The finance bureau has primary responsibilities relating to the supervision, regulation and licensing of regulated loan companies, industrial loan companies, mortgage bankers, brokers, and registrants, delayed deposit service licensees, persons engaged in the business of selling written instruments, and persons engaged in the business of debt management.

**1.3(1) Organization—superintendent.** The superintendent is the administrator of the division. The superintendent is appointed by the governor, by and with the approval of the senate, for a term of four years. The superintendent's office is located at 200 East Grand Avenue, Suite 300, Des Moines, Iowa 50309-1827. The superintendent is assisted by the following officials who are responsible to the superintendent:

a. ~~Deputy superintendent~~ *Bank bureau chief.* The ~~deputy superintendent~~ *bank bureau chief* performs such duties as the superintendent prescribes, including general supervision of all matters pertaining to the office of the superintendent *supervision of all bank examining personnel, administration and supervision of regulatory examinations, and administration and supervision of all matters relating to the exercise of banking powers authorized by the laws of this state.* During the absence or disability of the superintendent, or as directed

by the superintendent, ~~the~~ *a deputy superintendent who* possesses the powers and performs the duties of the superintendent *may be appointed by the superintendent.*

b. ~~Assistants.~~ The superintendent may appoint assistants to perform duties prescribed by the superintendent, including ~~general supervision of all bank examining personnel, administration and supervision of regulatory examinations, and administration and supervision of all matters relating to the exercise of banking powers authorized by the laws of this state.~~

c. *b. Bank examination analysts.* Bank examination analysts perform such duties as the superintendent prescribes, including ~~matters relating to advanced technical analysis and review of examination and financial reports of banks and bank holding companies; assessing, measuring, and monitoring the risk conditions in state banks and bank holding companies; assisting the superintendent and banking council in the analysis of applications submitted to the division for approval; and the review and analysis of bank examination reports.~~

d. *c. Finance bureau chief.* The finance bureau chief performs duties prescribed by the superintendent, including general supervision over all matters relating to the licensing and supervision of regulated loan companies, industrial loan companies, mortgage bankers, brokers, and registrants, delayed deposit service licensees, persons engaged in the business of debt management, and persons engaged in the sale of written instruments.

d. *Comptroller.* The comptroller performs duties prescribed by the superintendent, including management of the administrative functions and fiscal affairs of the division of banking. The comptroller is also responsible for administration of personnel policies, work rules, payrolls, and employee benefits for all employees of the division.

e. *Examiners.* Regulatory examinations are performed by examining personnel situated in examination regions throughout the state. Each region is headed by a supervisor who is assisted by a staff of examiners. Each examiner performs duties prescribed by the superintendent in a manner consistent with the laws of this state and may be predominantly trained in the specialized fields of commercial bank and bank holding company regulation, trust asset administration, finance company and mortgage banking regulation, data processing, and other areas within the jurisdiction of the office of the superintendent.

**1.3(2) Reserved.**

This rule is intended to implement Iowa Code sections 17A.3 and 524.208.

ITEM 3. Rescind rule **187—1.4(17A,524).**

ITEM 4. Amend subrule 2.12(3), introductory paragraph, to read as follows:

**2.12(3) Public file.** The public file in each case shall consist of the application with supporting data and supplementary information with the exception of material deemed by the superintendent to be confidential. In addition, the public file shall contain all data and information submitted by interested persons in favor of or in opposition to such application, excluding any material deemed by the superintendent to be confidential. The superintendent or the superintendent's designee shall not deem information confidential for purposes of the two immediately preceding sentences unless the person submitting the information requests that such information be deemed confidential. All factual information contained in any ~~field~~ *internal* investigation report made by a bank examiner shall also be made a part of the public file, unless deemed confidential by the superintendent.

## BANKING DIVISION[187](cont'd)

ITEM 5. Rescind and reserve rule **187—2.13(524)**.

ITEM 6. Amend **187—Chapter 4**, title, as follows:

**STATE BANKING BOARD COUNCIL**

ITEM 7. Amend rule 187—4.1(524) to read as follows:

**187—4.1(524) Composition of board council.** The state banking board council is a statutory board council composed of the superintendent, who is an ex officio nonvoting member and chairperson, and six other members. All members of the board council are appointed by the governor.

ITEM 8. Amend rule 187—4.2(524) to read as follows:

**187—4.2(524) Term of office.** Each member is appointed for a term of four years which is contemporaneous with the regular term of office of the superintendent. In case of a vacancy in the board, other than a vacancy in the office of the superintendent, a new member is appointed to fill such vacancy for the unexpired term. The terms of office for members of the state banking council, other than the superintendent, shall be four-year, staggered terms. Beginning May 1, 2005, members shall be appointed by the governor as follows: one member shall be appointed for a one-year term, one member shall be appointed for a two-year term, two members shall be appointed for three-year terms, and two members shall be appointed for four-year terms.

ITEM 9. Amend rule 187—4.3(524) to read as follows:

**187—4.3(524) Function of the board council.** The state banking board acts in an advisory capacity concerning all matters that may come before it unless specific statutory authority is given for the board to act in a capacity other than advisory. The state banking council shall act in an advisory capacity concerning matters submitted to it by the superintendent pertaining to the administration of the Iowa banking Act.

ITEM 10. Amend rule 187—4.4(524) to read as follows:

**187—4.4(524) Meetings and method of contacting members of the board council.** The state banking board generally meets in the office of the superintendent on the third Wednesday of each month. Such meetings will be adjourned for lack of a quorum unless at least four of the six members are present at the start of each meeting. The superintendent's office is located at 200 East Grand Avenue, Suite 300, Des Moines, Iowa 50309-1827. Anyone wishing to contact members of the board at other times may obtain the address and telephone number for each member by calling or writing to the superintendent. The state banking council meets at least once each calendar quarter on such date and at such place as the council may decide. The council generally meets in the office of the superintendent, 200 East Grand Avenue, Suite 300, Des Moines, Iowa 50309-1827, which is also the address to correspond with any of the council members. The council shall meet at such other times as may be deemed necessary by the superintendent or a majority of the council members. Four members of the council shall constitute a quorum for each meeting.

ITEM 11. Rescind rule **187—4.5(524)**.

ITEM 12. Adopt the following **new** implementation clause for **187—Chapter 4** as follows:

These rules are intended to implement Iowa Code section 524.205.

ITEM 13. Amend rule 187—7.15(17A,22), introductory paragraph, to read as follows:

**187—7.15(17A,22) Other groups of records routinely available for public inspection.** This rule describes groups of records maintained by the agency other than record systems as defined in rule 7.1(17A,22). These records are routinely available to the public. However, the agency's files of these records may contain confidential information. In addition, the records listed in subrules 7.15(1) to 7.15(4) may contain information about individuals. All records are stored on paper.

ITEM 14. Amend subrule 7.15(2) to read as follows:

**7.15(2) Banking board council records.** Agendas, minutes and materials presented to the Iowa division of banking board council are available from the office of the Iowa division of banking, except those records concerning closed sessions which are exempt from disclosure under Iowa Code section 21.5, or which are otherwise confidential by law. Banking board council records contain information about people who participate in meetings. This information is collected pursuant to Iowa Code section 21.3. This information is not retrieved by individual identifier and is not stored on an automated data processing system.

ITEM 15. Amend subrule 7.15(8) to read as follows:

**7.15(8) Officers and directors.** Lists of officers and directors filed with the superintendent pursuant to the provisions of Iowa Code section 524.541. These reports are considered open records, with the exception that lists of shareholders are confidential and not open to the public.

ITEM 16. Amend rule 187—8.8(12B) to read as follows:

**187—8.8(12B) Approved rating services.** Rating services approved by the superintendent as provided by Iowa Code section 12B.10 for use by the treasurer of state and the treasurer of each political subdivision in determining qualifying commercial paper investments are Moody's Investors Services, New York, New York 10007, and Standard & Poor's, Chicago, Illinois 60680 60606.

This rule is intended to implement Iowa Code section 12B.10.

ITEM 17. Amend rule 187—8.9(524) to read as follows:

**187—8.9(524) General definition of bank.** It is the superintendent's intent that the term "bank" used in Iowa Code section 524.103(7 8) means a corporation organized under Iowa Code chapter 524 or a corporation organized under 12 U.S.C. §21. The general definition of "bank" as set forth in Iowa Code section 524.103(7 8) does not include a state savings association, federal savings association, state credit union, or federal credit union.

This rule is intended to implement Iowa Code section 524.103(7 8).

ITEM 18. Amend subrule **9.2(1)** by adopting the following **new** paragraph "j":

j. Establish procedures for conformance with secondary market investor requirements where applicable.

ITEM 19. Rescind subrules **9.2(2)** and **9.2(3)** and adopt the following **new** subrule 9.2(3) as follows:

**9.2(3) In transit loans.** Real estate loans made for sale into the secondary market shall be considered in transit for a period of 90 days after being sold and shall not be considered risk assets for reserving purposes during this time period.

ITEM 20. Amend subrule 9.2(4) as follows:

## BANKING DIVISION[187](cont'd)

**9.2(4-2)** Loan-to-value limits. The board of directors of the state bank shall establish its own internal loan-to-value (LTV) limits for real estate loans. These internal limits shall not exceed the following:

LOAN CATEGORY	LTV (PERCENT)
Raw land	65
Land development	75
Construction:	
Multifamily, commercial & other nonresidential	80
1- to 4-family residential	85
Farmland, ranchland or timberland	85
1- to 4-family not owner-occupied	85
Multifamily residential (5 or more units)	85
Commercial and other nonresidential	85
Owner-occupied 1- to 4-family and home equity *	

The loan-to-value limits established by the board shall not apply to loans for which a lien on or interest in real estate is taken as additional collateral through an abundance of caution.

\*A loan-to-value limit has not been established for permanent mortgage or home equity loans on owner-occupied, 1- to 4-family residential property. However, for any such loan with a loan-to-value ratio that exceeds 90 percent at origination, an institution should require appropriate credit enhancement in the form of either mortgage insurance or readily marketable collateral.

Compliance with the appropriate loan-to-value limits shall require that the state bank's lien be aggregated with more senior liens securing the same property. The state bank shall maintain written verification of the outstanding balance or the maximum credit available to the borrower of any more senior lien at the inception of the loan. The existence of taxes or assessments that are not delinquent, instruments creating or reserving mineral, oil or timber rights, rights-of-way, joint driveways, sewer rights, rights in walls or by reason of building restrictions or other like restrictive covenants, or when such real estate is subject to lease in whole or part whereby the rents or profits are reserved to the owner shall not be deemed senior liens for purposes of compliance with loan-to-value limits.

ITEM 21. Rescind and reserve subrules **9.2(6)** and **9.2(7)**.

ITEM 22. Amend subrule 9.2(9) to read as follows:

**9.2(9)** Exempted transactions. In addition to the exemptions set forth in subrule 9.2(8), it may be appropriate, in light of all relevant credit considerations, including community reinvestment factors, for state banks, in certain instances, to originate or purchase real estate loans that do not meet the requirements of subrules 9.2(4) to 9.2(7) *this rule*. State banks shall be allowed to make such loans; however, the aggregate amount of all real estate loans that fall into this category shall not exceed 25 percent of aggregate capital as reflected on the state bank's most recent consolidated report of condition, unless prior approval to exceed this limitation has been obtained from the superintendent. These exempted loans must be identified by the board of directors by name and outstanding balance and must be reviewed by the board no less frequently than annually. Examiners, during the course of their examinations, will determine whether these exempted loans are adequately documented and appropriate in light of overall safety and soundness considerations. No real estate loans to directors, officers, or principal shareholders or their related interests shall be allowed in the exempted category of this subrule.

ITEM 23. Amend subrule 10.5(1) to read as follows:

**10.5(1)** Approval required. A satellite terminal shall not be established or operated in the state of Iowa unless written approval for that establishment and operation has been obtained from the administrator. *Exceptions to this requirement may exist based upon judicial rulings on applicability of Iowa Code subsections 527.5(3) and 527.5(7) to certain federally chartered financial institutions.*

ITEM 24. Amend rule 187—10.6(527) to read as follows:

**187—10.6(527) Advertising at satellite terminals** *Customer instruction in the use of a satellite terminal.*

**10.6(1)** Scope. A satellite terminal as defined by Iowa Code section 527.2 includes terminals located on the premises of a financial institution, as well as all terminals located off the premises of a financial institution. For purposes of advertising, however, only satellite terminals located off the premises of the establishing financial institution are governed by the restrictions contained in these rules.

**10.6(2)** Advertising at satellite terminal locations. The term "satellite terminal location," as used in Iowa Code subsection 527.5(5), means all physical space within 100 feet in any direction of the satellite terminal. Advertising identifying the establishing financial institution may be displayed at any location outside this area as defined; however, any physical structure which encompasses a satellite terminal location, except a branch facility of the establishing financial institution, is also prohibited from displaying advertising identifying the establishing financial institution.

**10.6(3)** Other forms of advertising. The establishing financial institution is permitted to advertise its establishment of off-premises satellite terminals in newspaper, radio, television, or other media, as long as such advertising does not appear or is not broadcast at the satellite terminal location or anywhere in or upon the physical structure encompassing the satellite terminal.

**10.6(4)** Satellite terminal use instructions. Iowa Code subsection 527.5(4) prohibits employees of the establishing financial institution or affiliate from attending or operating a satellite terminal except on a temporary basis for the purpose of instructing customers in the proper use of the satellite terminal. For purposes of these rules *this rule*, such temporary basis shall be defined to be no more than 30 calendar days from the date of initial operation of the satellite terminal. Satellite terminals located on the premises of the establishing financial institution are exempt from this restriction.

This rule is intended to implement Iowa Code subsections *subsection 527.5(4) and 527.5(5).*

ITEM 25. Amend subrule 11.12(3) to read as follows:

**11.12(3)** Filing—when required. After the notice of hearing, all pleadings, motions, documents or other papers in a contested case proceeding shall be filed with Division of Banking, Attn: Deputy Superintendent, 200 East Grand Avenue, Suite 300, Des Moines, Iowa 50309-1827. All pleadings, motions, documents or other papers that are required to be served upon a party shall be filed simultaneously with the division of banking.

ITEM 26. Amend subrule 11.12(5) to read as follows:

**11.12(5)** Proof of mailing. Proof of mailing includes either a legible United States Postal Service postmark on the envelope, a certificate of service, a notarized affidavit, or a certification in substantially the following form:

I certify under penalty of perjury and pursuant to the laws of Iowa that, on (date of mailing), I mailed

BANKING DIVISION[187](cont'd)

copies of (describe document) addressed to Division of Banking, Attn: Deputy Superintendent, 200 East Grand Avenue, Suite 300, Des Moines, Iowa 50309-1827, and to the names and addresses of the parties listed below by depositing the same in (a United States post office mailbox with correct postage properly affixed or state interoffice mail).  
(Date) (Signature)

[Filed 2/10/05, effective 4/6/05]  
[Published 3/2/05]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/2/05.

## ARC 4017B

### HUMAN SERVICES DEPARTMENT[441]

#### Adopted and Filed

Pursuant to the authority of Iowa Code section 234.6 and 2004 Iowa Acts, chapter 1175, section 120, the Department of Human Services amends Chapter 51, "Eligibility," and Chapter 52, "Payment," Iowa Administrative Code.

These amendments implement the annual adjustments to eligibility and payment levels in the State Supplementary Assistance Program necessary to meet the federal pass-along requirements specified in Title XVI of the Social Security Act. Iowa uses the payment levels method of compliance, which requires the state to increase the payment amounts and income limits for State Supplementary Assistance categories effective January 1 of each year as necessary to meet the minimum levels required by the federal government. The minimum levels are indexed by the cost-of-living increase in federal Social Security and Supplemental Security Income (SSI) benefits, which is 2.7 percent for calendar year 2005.

Changes necessary to meet federal pass-along requirements are as follows:

- Increasing the income limit for dependent relatives from \$285 per month to \$293.
- Increasing the dependent relative payment standards by \$23 per month for an eligible individual and \$31 per month for an eligible couple.
- Increasing the maximum family-life home payment \$7 per month, from \$645 to \$652.
- Increasing the family-life home personal needs allowance \$8 per month, from \$81 to \$89.
- Increasing the family-life home income limit \$15 per month, from \$726 to \$741.
- Increasing the maximum residential care per diem rate from \$25 to \$25.07.

State legislation also requires the Department to increase the personal needs allowance for residents of residential care facilities by the same percentage and at the same time as federal Social Security and SSI benefits are increased. Therefore, these amendments also increase the residential care facility personal needs allowance \$8 per month, from \$81 to \$89.

These amendments do not provide for waivers in specified situations because they benefit the people affected by increasing payment levels and personal allowances.

These amendments were Adopted and Filed Emergency and published in the Iowa Administrative Bulletin on January 5, 2005, as **ARC 3908B**. Notice of Intended Action on

these amendments was published in the Iowa Administrative Bulletin as **ARC 3907B** on the same date to solicit comments.

The Department received no comments on these amendments. These amendments are identical to those Adopted and Filed Emergency and in the Notice of Intended Action.

The Council on Human Services adopted these amendments on February 9, 2005.

These amendments shall become effective April 6, 2005, at which time the Adopted and Filed Emergency amendments are hereby rescinded.

These amendments are intended to implement Iowa Code chapter 249 and 2004 Iowa Acts, chapter 1175, section 120.

EDITOR'S NOTE: Pursuant to recommendation of the Administrative Rules Review Committee published in the Iowa Administrative Bulletin, September 10, 1986, the text of these amendments [51.4(1), 51.7, 52.1(1) to 52.1(3)] is being omitted. These amendments are identical to those published under Notice as **ARC 3907B** and Adopted and Filed Emergency as **ARC 3908B**, IAB 1/5/05.

[Filed 2/10/05, effective 4/6/05]  
[Published 3/2/05]

[For replacement pages for IAC, see IAC Supplement 3/2/05.]

## ARC 4018B

### HUMAN SERVICES DEPARTMENT[441]

#### Adopted and Filed

Pursuant to the authority of Iowa Code section 217.6, the Department of Human Services amends Chapter 61, "Refugee Services Program," Iowa Administrative Code.

These amendments establish the Iowa Refugee Services Foundation, a self-sustaining not-for-profit entity that will be incorporated under Iowa Code chapter 504A. The purpose of the Foundation is to promote the welfare and self-sufficiency of noncitizen refugees who live in Iowa. The Foundation is not a state agency, and the state is not liable for any debts of the Foundation.

The Foundation is created to provide a means for the Bureau of Refugee Services to engage in private fund-raising in support of refugee resettlement activities. The U.S. Department of State has an expectation that all refugee resettlement agencies will raise funds to supplement federal funding for refugee services. The Foundation is empowered to accept donations and bequests, to accept and administer trusts, and to establish an endowment. Donations to the Foundation will be tax-deductible.

These amendments reference the structure and duties of the Foundation as established by statute, reiterate the membership policies, and set the meeting procedures for the board of directors.

These amendments do not provide for waivers in specified situations because they are organizational in nature and do not affect the rights and duties of the public.

These amendments were Adopted and Filed Emergency and published in the Iowa Administrative Bulletin on September 1, 2004, as **ARC 3603B**. Notice of Intended Action on these amendments was published in the Iowa Administrative Bulletin as **ARC 3606B** on the same date to solicit comments.



HUMAN SERVICES DEPARTMENT[441](cont'd)

The Department received no comments on the Notice of Intended Action. The only changes made to the amendments Adopted and Filed Emergency and in the Notice of Intended Action are to update the Iowa Code references in the introductory paragraph of rule 441—61.18(217) and in the implementation clause for Chapter 61 to reflect the publication of the 2005 Iowa Code.

The Council on Human Services adopted these amendments on February 9, 2005.

These amendments shall become effective April 6, 2005, at which time the Adopted and Filed Emergency amendments are hereby rescinded.

These amendments are intended to implement Iowa Code section 217.41.

EDITOR'S NOTE: Pursuant to recommendation of the Administrative Rules Review Committee published in the Iowa Administrative Bulletin, September 10, 1986, the text of these amendments [61.18, Ch 61 impl. clause] is being omitted. With the exception of the changes noted above, these amendments are identical to those published under Notice as **ARC 3606B** and Adopted and Filed Emergency as **ARC 3603B**, IAB 9/1/04.

[Filed 2/10/05, effective 4/6/05]  
[Published 3/2/05]

[For replacement pages for IAC, see IAC Supplement 3/2/05.]

## ARC 4036B

### INSURANCE DIVISION[191]

#### Adopted and Filed

Pursuant to the authority of Iowa Code section 505.8(2) and chapter 508, the Insurance Division hereby amends Chapter 31, "Life Insurance Companies—Variable Annuities Contracts," Iowa Administrative Code.

This amendment reinstates a rule which was erroneously rescinded in 1999 under **ARC 8848A** published in the March 24, 1999, Iowa Administrative Bulletin. Life insurance producers selling variable annuities which are not registered securities were exempted from obtaining a variable contracts license qualification. The unintentional effect of the rescission may have been to require life insurance producers to undergo the Iowa securities licensing process to provide variable annuities to employers' qualified retirement plans when the federal Securities Act of 1933 exempts such variable annuities.

Notice of Intended Action was published in the Iowa Administrative Bulletin on December 8, 2004, as **ARC 3881B**. A public hearing was held on December 29, 2004, at 2 p.m. in the offices of the Insurance Division. No comments were received regarding this amendment. The adopted amendment is identical to that published under Notice of Intended Action.

This amendment is intended to implement Iowa Code chapter 508.

This amendment shall become effective May 1, 2005.

The following amendment is adopted.

Adopt **new** rule 191—31.6(508) as follows:

**191—31.6(508) Producers.** No producer shall be eligible to sell or offer for sale a contract on a variable basis unless, prior to making any solicitation or sale of such a contract, the pro-

ducer is also licensed for the variable products line of authority; however, any producer who participates only in the sale or offering for sale of variable contracts that are not registered under the federal Securities Act of 1933 need not be licensed for the variable products line of authority.

[Filed 2/11/05, effective 5/1/05]

[Published 3/2/05]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/2/05.

## ARC 4024B

### INSURANCE DIVISION[191]

#### Adopted and Filed Without Notice

Pursuant to the authority of Iowa Code section 505.8 and chapter 514D, the Insurance Division hereby amends Chapter 37, "Medicare Supplement Insurance Minimum Standards," Iowa Administrative Code.

These amendments update Chapter 37 to adopt three technical amendments to the National Association of Insurance Commissioners (NAIC) Model Regulation to Implement the Medicare Supplement Insurance Minimum Standards Model Act. These amendments are required to bring Iowa rules into compliance with the Medicare Prescription Drug, Improvement and Modernization Act of 2003.

These amendments make minor wording changes in the explanation of benefits that insurers are required to distribute to consumers.

Pursuant to Iowa Code section 17A.4(2), these amendments are being Adopted and Filed Without Notice as they confer a benefit by clarifying the text of documents that insurers are required to produce and provide. Public notice and participation are unnecessary as these amendments are merely technical in nature and are required by federal law.

These amendments do not contain a waiver provision. The Division has previously adopted a general waiver provision in 191—Chapter 4.

These amendments are intended to implement Iowa Code chapter 514D.

These amendments will become effective April 6, 2005.

A fiscal impact summary prepared by the Legislative Services Agency pursuant to Iowa Code § 17A.4(3) will be available at <http://www.legis.state.ia.us/IAC.html> or at (515) 281-5279 prior to the Administrative Rules Review Committee's review of this rule making.

The following amendments are adopted.

ITEM 1. Amend subrule **37.15(4)**, paragraph "**d**," PLAN E, second chart, heading, as follows:

PLAN E  
MEDICARE (PART B)—MEDICAL SERVICES—  
~~PER BENEFIT PERIOD~~ CALENDAR YEAR

ITEM 2. Amend subrule **37.15(4)**, paragraph "**d**," PLAN J or HIGH DEDUCTIBLE PLAN J, as follows:

Amend the first chart, introductory paragraphs, as follows:

PLAN J or HIGH DEDUCTIBLE PLAN J  
MEDICARE (PART A)—HOSPITAL SERVICES—  
PER BENEFIT PERIOD

## INSURANCE DIVISION[191](cont'd)

\*A benefit period begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.

[\*\*This high deductible plan pays the same benefits as Plan J after one has paid a calendar year [\$1690] deductible. Benefits from high deductible Plan J will not begin until out-of-pocket expenses are [\$1690]. Out-of-pocket expenses for this deductible are expenses that would ordinarily be paid by the policy. This includes the Medicare deductibles for Part A and Part B, but does not include the plan's ~~separate outpatient prescription drug deductible or the plan's separate foreign travel emergency deductible.~~]

Amend the second chart, introductory paragraphs, as follows:

**MEDICARE (PART B)—MEDICAL SERVICES—  
PER CALENDAR YEAR**

\*Once you have been billed \$[100] of Medicare-approved amounts for covered services (which are noted with an asterisk), your Part B deductible will have been met for the calendar year.

[\*\*This high deductible plan pays the same benefits as Plan J after one has paid a calendar year [\$1690] deductible. Benefits from high deductible Plan J will not begin until out-of-pocket expenses are [\$1690]. Out-of-pocket expenses for this deductible are expenses that would ordinarily be paid by the policy. This includes the Medicare deductibles for Part A and Part B, but does not include the plan's ~~separate outpatient prescription drug deductible or the plan's separate foreign travel emergency deductible.~~]

[Filed Without Notice 2/11/05, effective 4/6/05]

[Published 3/2/05]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/2/05.

## ARC 4020B

### IOWA FINANCE AUTHORITY[265]

#### Adopted and Filed

Pursuant to the authority of Iowa Code sections 17A.3(1)“b,” 16.5(5), 16.5(10), 16.5(13), 16.5(17), and 16.15(7) and Public Law 106-169, Section 101 (Improved Independent Living Program), the Iowa Finance Authority hereby adopts new Chapter 22, “Iowa Aftercare Services Rent Subsidy Program,” Iowa Administrative Code.

This amendment adopts a new chapter concerning the Iowa aftercare services rent subsidy program (program) to be operated by the Authority. Through the program, the Authority, working with the Department of Human Services, seeks to assist youth who are participating in the Department of Human Services’ program of aftercare services for former foster care recipients. The program also includes a transitional apartment subsidy for agencies that provide housing and life skills training for these youth. The rules outline the purpose, application procedure, program guidelines, and other necessary requirements of the program.

These rules do not contain a waiver provision, as the Authority does not intend to grant waivers under this program, other than as may be allowed pursuant to Chapter 18 of the Authority’s rules.

Notice of Intended Action was published in the December 22, 2004, Iowa Administrative Bulletin as **ARC 3890B**. The

Authority held a public hearing on January 11, 2005, at which public comments on these rules were received. The public comments addressed various aspects of the proposed chapter, including the role of the Authority in the program, the waiting list procedures, and other general comments on the new rules.

The Authority revised the rules based on the public comments by changing certain language to clarify that the role of the Authority under this program is that of a fiscal administrator of funds.

The Authority adopted these rules on February 2, 2005.

These rules will become effective on April 6, 2005.

These rules are intended to implement Iowa Code sections 16.5(5), 16.5(10), 16.5(13), 16.5(17) and 16.15(7) and Public Law 106-169, Section 101 (Improved Independent Living Program).

The following amendment is adopted.

Adopt the following **new** chapter:

**CHAPTER 22  
IOWA AFTERCARE SERVICES  
RENT SUBSIDY PROGRAM**

**265—22.1(16,PL106-169) Purpose.** Through the Iowa aftercare services rent subsidy program (program), the authority, working with the department of human services, seeks to assist youth who are participating in the department of human services’ program of aftercare services for former foster care recipients. The program also includes a transitional apartment subsidy for agencies that provide housing and life skills training for these youth.

**265—22.2(16,PL106-169) Definitions.**

“Aftercare services” means activities established in an individualized service plan developed with a self-sufficiency advocate which complement the youth’s own efforts in achieving self-sufficiency, such as linking to appropriate community resources and having a safe and stable place to live.

“Authority” means the Iowa finance authority.

“Organization” means a contractor or subcontractor of the department of human services’ program of aftercare services.

“Rental unit” means an apartment, mobile home, or private room for which a signed, written lease exists and which is governed by Iowa Code chapter 562A.

“Self-sufficiency advocate” means an employee of the organization, designated by the organization as a case manager to assist youth.

“Transitional apartment” means a rental unit, rented by the organization to the youth and used to provide housing and life skills training required to assist the youth to recognize and accept the personal responsibility related to being a renter.

“Youth” means a person at least 18 but not yet 21 years of age who has left foster care on or after the person’s eighteenth birthday, and who is participating in the program of aftercare services.

**265—22.3(16,PL106-169) Eligibility requirements for direct rent subsidy.** All of the following criteria shall be met.

**22.3(1)** Aftercare services participant. The youth shall be an active participant in aftercare services, making progress toward an identified goal of obtaining or maintaining stable housing.

**22.3(2)** Demonstrated need. To demonstrate need, the youth must provide evidence that the youth is responsible for

## IOWA FINANCE AUTHORITY[265](cont'd)

paying more than 30 percent of the youth's gross earned and unearned income for rent and that the youth cannot obtain other rental assistance because the youth has been determined ineligible or is on a waiting list for rent subsidy under the U.S. Department of Housing and Urban Development (HUD) or any other available rent subsidy program or because a waiting list for the HUD rent subsidy program or any other rent subsidy program is closed. This program may not be used to substitute for any other subsidy that the youth had been receiving at the time of or immediately prior to the time of application to this program. Youth receiving rental assistance at the time of or immediately prior to the time of application to this program shall not be eligible.

**22.3(3) Education on renter rights and responsibilities.** To demonstrate that the youth understands the rights and responsibilities of being a renter, the youth must have either lived in a transitional apartment, completed a renter education and awareness program, be enrolled to participate or be currently participating in a renter education and awareness program.

**22.3(4) Budget.** The youth must submit a budget that demonstrates that the subsidy, when combined with the youth's gross earned and unearned income, will enable the youth to cover all remaining living expenses (i.e., housing, utilities, clothing, and food).

**265—22.4(16,PL106-169) Application for direct rent subsidy.** Applications for the program may be obtained on the authority's Web site at [www.ifahome.com](http://www.ifahome.com) or by contacting the authority at the address set forth in 265—Chapter 1.

**22.4(1) Application process.** The application for after-care rent subsidy and a monthly budget form must be completed, verified by the self-sufficiency advocate and submitted to the authority by the youth's self-sufficiency advocate. The application and referenced forms will require the following information:

- a. The youth's estimated monthly gross earned and unearned income for the 12 months following application.
- b. Written evidence from sources of local rental assistance available in the youth's community that the youth has applied for that rental assistance and that the youth has been determined ineligible or placed on a waiting list for that rental assistance, or that the waiting list is closed.
- c. The amount of the total rent for the rental unit.
- d. Number of bedrooms in the rental unit.
- e. Names of the people who are on, or will be on, the lease.
- f. Number of the youth's minor dependents.
- g. Evidence that the youth has lived in a transitional apartment, completed a renter education and awareness program, or is enrolled to participate or is currently participating in a renter education and awareness program.
- h. Date of the youth's birth.

**22.4(2) Date of application.** The date of the application shall be the date the completed application is received by the authority. Any applications received after a monthly payment calculation will not receive a subsidy payment until the next succeeding payment cycle after approval of the application. No back payment for rent will be paid.

**22.4(3) Payment determination.** The self-sufficiency advocate shall be notified by the authority on or about the date that the authority calculates the payment for that month as to whether the youth's application has been approved.

**22.4(4) Waiting list.** After funds available for this program are committed, the authority shall deny pending applications.

a. Youth not awarded funding who meet the eligibility requirements shall be placed on a statewide waiting list according to the order in which the completed applications were received by the authority. In the event that more than one application is received at one time, the youth shall be entered on the waiting list on the basis of the day of the youth's birthday, lowest number being first on the waiting list. Any subsequent tie shall be decided by the month of birth, with January being month one.

b. The self-sufficiency advocate shall be notified of the waiting list decision on or about the date that the authority calculates the payment for that month. The notice shall state that the youth meets eligibility requirements but no funds are available and that the youth shall be placed on the waiting list.

c. When funding allows additional youth to be added to the program, they shall be taken from the statewide waiting list, and their eligibility shall be redetermined at that time. An application packet, which includes instructions and necessary forms for verification of continuing eligibility, shall be sent to the self-sufficiency advocate for completion, with such application to be returned to the authority within time lines specified by the authority. If the signed application and verification of continuing eligibility are not received by the time line specified by the authority, the youth's name shall be dropped from consideration for receipt of the rent subsidy payment.

**265—22.5(16,PL106-169) Amount of rent subsidy.**

**22.5(1) Use of subsidy.** Assistance shall be used for rental expense directly related to the youth's lease of a rental unit. The monthly payment shall be for a rental unit with one bedroom or a proportionate share of rental costs in units containing more than one bedroom. An exception for additional bedrooms will be made for minor dependents residing in the rental unit.

**22.5(2) Subsidy amount.** The subsidy amount is the difference, not to exceed \$350, between:

- a. The lesser of the actual rent or fair market rent under guidelines of the applicable HUD low-rent housing program in the county where the youth's residence is located, and
- b. Thirty percent of the youth's monthly gross earned and unearned income.

**22.5(3) Monthly payment.** So long as funds remain and eligibility requirements of this chapter continue to be met, the organization shall receive an ongoing monthly payment on behalf of the youth approved for rent subsidy. The monthly payment will equal the amount determined pursuant to subrule 22.5(2).

**265—22.6(16,PL106-169) Redetermination of direct rent subsidy eligibility.**

**22.6(1) Time of completion.** A redetermination of eligibility for direct rent subsidy payments shall be completed:

- a. At least once every 12 months.
- b. When a change in circumstances occurs that affects eligibility requirements of rule 265—22.3(16,PL106-169).
- c. If the youth moves from the rental unit stated on the application.
- d. When there is a change in income.
- e. When there is a change in the names of the people on the lease or number of minor dependents.
- f. When there is an unapproved person residing in the rental unit.
- g. If the youth fails to complete the renter education and awareness program within the time period stated in the application.

IOWA FINANCE AUTHORITY[265](cont'd)

**22.6(2)** Review packet. The authority shall send a review packet, which shall include instructions and necessary forms for verification of continuing eligibility, to the youth's self-sufficiency advocate at least 60 calendar days before the deadline date for annual redetermination of eligibility.

a. The self-sufficiency advocate shall submit the completed forms to the authority.

b. If the authority does not receive the completed forms verifying continued eligibility by the stated deadline, the youth's subsidy shall be terminated.

**265—22.7(16,PL106-169) Termination of rent subsidy payments.**

**22.7(1)** Reasons for termination. The rent subsidy shall terminate at the end of the month in which any of the following occurs, and a notice shall be sent to the self-sufficiency advocate which states the reason for the termination:

a. The youth does not meet one or more of the eligibility criteria listed in rule 265—22.3(16,PL106-169).

b. The youth does not meet the youth's obligations and personal responsibility as a renter, as determined by the youth's self-sufficiency advocate.

c. No additional uncommitted funds are available for the rent subsidy program.

**22.7(2)** Reporting of changes. The youth is required to report to the youth's self-sufficiency advocate within ten calendar days any changes which may affect eligibility. Failure to do so may result in termination of the subsidy. The self-sufficiency advocate shall inform the authority of changes upon the advocate's discovery of such information.

**22.7(3)** Insufficient funding. If funds are not sufficient to cover payments for all youth on the subsidy, youth shall be terminated from the subsidy in the inverse order in which they began receiving payments, i.e., the last youth to be added to the subsidy being the first youth to be removed. The youth terminated shall move back to the waiting list with the original application date dictating the youth's position on the waiting list, as stated in subrule 22.4(4).

**265—22.8(16,PL106-169) Eligibility requirements for transitional apartment subsidy.** All of the following criteria shall be met:

**22.8(1)** The participating organization shall be a contractor or subcontractor of the department of human services' program of aftercare services.

**22.8(2)** The organization shall submit a statement to the authority that the transitional apartment will be used to provide housing and life skills training to assist youth to recognize and accept their personal responsibility related to being a renter.

**22.8(3)** The organization will lease or sublease the apartment to qualified aftercare services participants who have left foster care on or after their eighteenth birthday.

**265—22.9(16,PL106-169) Application for transitional apartment subsidy.** Applications for the transitional apartment subsidy may be obtained on the authority's Web site or by contacting the authority at the address set forth in 265—Chapter 1. The organization shall submit the completed aftercare transitional apartment application, which must include a written narrative of the plan specified in subrule 22.8(2).

**265—22.10(16,PL106-169) Amount of transitional apartment subsidy.** The amount of transitional apartment subsidy is based on the lesser of the actual rent or 100 percent of the fair market rent under guidelines of the applicable HUD low-rent housing program in the county where the rental unit is located.

**265—22.11(16,PL106-169) Redetermination of transitional apartment subsidy eligibility.** A redetermination of eligibility for transitional apartment subsidy payments shall be completed:

1. At least once every 12 months.

2. When a change in circumstances occurs that affects eligibility requirements of rule 265—22.8(16,PL106-169).

**265—22.12(16,PL106-169) Termination of transitional apartment subsidy payments.**

**22.12(1)** Reasons for termination. The rent subsidy shall terminate at the end of the month in which any of the following occurs, and a notice shall be sent to the participating organization which states the reason for the termination:

a. The organization no longer meets the eligibility criteria listed in rule 265—22.8(16,PL106-169).

b. No additional unobligated funds are available for the transitional apartment subsidy program.

**22.12(2)** Reporting of changes. The organization shall report to the authority any changes which may affect eligibility. Failure to do so may result in termination of the subsidy.

**265—22.13(16,PL106-169) Fraudulent practices relating to the aftercare rent subsidy program.** If a youth, self-sufficiency advocate, or organization knowingly makes or causes to be made a false statement or representation or knowingly fails to report to the authority any change in circumstances affecting the youth's or organization's eligibility for financial assistance under this chapter, the authority may require repayment of the amount that was paid to or on behalf of the youth or organization while the youth or organization was ineligible, as a condition of continued participation in the program.

**265—22.14(16,PL106-169) Appeals.**

**22.14(1)** An applicant whose application has been timely filed may appeal the authority's decision by filing a written notice of appeal within 14 days of the decision before the Iowa Finance Authority, 100 East Grand Avenue, Suite 250, Des Moines, Iowa 50309. The notice of appeal must actually be received at the above address within the time frame specified in order to be considered timely.

**22.14(2)** The notice of appeal shall state the grounds upon which the applicant challenges the decision.

**22.14(3)** An appeal shall be heard by the executive director of the Iowa finance authority. The executive director shall grant the appellant reasonable opportunity to gather information and inquire as to why the decision in question was made. The executive director shall allow the appellant to present all the relevant facts supporting the appellant's position. Such presentation shall be held not later than 30 days after the filing of an appeal, unless the parties agree to hold the presentation on a later date.

**22.14(4)** Within 7 days of the presentation, the executive director shall issue a written decision which clearly states whether or not the authority's decision was appropriate. Such decision shall be delivered to the appellant and the board of directors of the authority.

**22.14(5)** If the executive director determines that the authority's decision was not appropriate, the executive director shall recommend to the authority's board a proper remedy.

**22.14(6)** Final agency action. After receiving a written decision from the executive director, the board must either approve or decline to approve the executive director's recommendation no later than the next regularly scheduled board meeting. Such action by the board shall be the final decision of the agency.

IOWA FINANCE AUTHORITY[265](cont'd)

**22.14(7)** Judicial review. Judicial review of the authority's final decisions may be sought in accordance with Iowa Code section 17A.19.

These rules are intended to implement Iowa Code sections 16.5(5), 16.5(10), 16.5(13), 16.5(17), and 16.15(7) and Public Law 106-169, Section 101 (Improved Independent Living Program).

[Filed 2/10/05, effective 4/6/05]  
[Published 3/2/05]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/2/05.

## ARC 4032B

### NATURAL RESOURCE COMMISSION[571]

#### Adopted and Filed

Pursuant to the authority of Iowa Code section 455A.5, the Natural Resource Commission hereby amends Chapter 94, "Nonresident Deer Hunting," Iowa Administrative Code.

Chapter 94 gives the regulations for hunting deer and includes season dates, bag limits, possession limits, shooting hours, areas open to hunting, licensing procedures, means and methods of taking, and transportation tag requirements. These amendments allow nonresidents to purchase a preference point in years they choose not to hunt deer in Iowa.

Notice of Intended Action was published in the Iowa Administrative Bulletin on December 8, 2004, as **ARC 3861B**. No comments on the proposed amendments were received during the public comment period. A public hearing was held on January 25, 2005, in the Wallace State Office Building. No one attended. There are no changes from the Notice of Intended Action.

These amendments are intended to implement Iowa Code sections 481A.38, 481A.39, 481A.48 and 483A.7.

These amendments shall become effective April 6, 2005. The following amendments are adopted.

ITEM 1. Amend subrule 94.8(3) as follows:

**94.8(3)** Preference points. Each individual applicant who is unsuccessful in the drawing for an any-sex license will be assigned one preference point for each year that the individual is unsuccessful. Preference points will not accrue in a year in which an applicant fails to apply, but the applicant will retain any preference points previously earned. Preference points will apply only to obtaining any-sex licenses. Once an applicant receives an any-sex nonresident deer hunting license, all preference points will be removed until the applicant is again unsuccessful in a drawing *or purchases a preference point as described in subrule 94.8(4)*. Preference points will apply to any zone or season for which a hunter applies. The first drawing for any-sex licenses each year will be made from the pool of applicants with the most preference points. If licenses are still available after the first drawing, subsequent drawings will be made from pools of applicants with successively fewer preference points and continue until the any-sex license quota is reached or all applicants have received licenses. Applicants who apply as a group will be included in a pool of applicants with the same number of preference points as that of the member of the group with the fewest preference points assigned.

ITEM 2. Adopt **new** subrule 94.8(4) as follows:

**94.8(4)** Purchasing preference points. A nonresident who does not want to hunt in the current year may purchase one preference point per calendar year. The preference point will apply to the next year's drawing for any-sex deer licenses. The preference point will be treated in the same manner as preference points obtained by hunters who are unsuccessful in the any-sex license drawing. A nonresident may not purchase a preference point and apply for an any-sex license in the same calendar year. Preference points may be purchased only during the application period for any-sex deer licenses. Preference points will cost \$10 to offset administrative costs in addition to the usual writing fee, convenience fee and other fees charged by the ELSI system.

[Filed 2/11/05, effective 4/6/05]  
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EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/2/05.

## ARC 4010B

### PROFESSIONAL LICENSURE DIVISION[645]

#### Adopted and Filed

Pursuant to the authority of Iowa Code section 157.14, the Board of Cosmetology Arts and Sciences Examiners hereby adopts amendments to Chapter 60, "Licensure of Cosmetologists, Electrologists, Estheticians, Manicurists, Nail Technologists, and Instructors for Cosmetology Arts and Sciences," Chapter 61, "Licensure of Salons and Schools of Cosmetology Arts and Sciences," Chapter 62, "Fees," and Chapter 65, "Discipline for Cosmetology Arts and Sciences Licensees, Instructors, Salons, and Schools," Iowa Administrative Code.

These amendments eliminate references to a specific testing vendor, modify licensure by endorsement, add specific training requirements and other changes as required by legislative changes in 2004, add fees for certification of specific procedures and add civil penalty language regarding unlicensed persons who practice cosmetology arts and sciences.

Notice of Intended Action was published in the Iowa Administrative Bulletin on November 24, 2004, as **ARC 3815B**. A public hearing was held on December 15, 2004, from 10 to 11 a.m. in the Fifth Floor Board Conference Room, Lucas State Office Building.

Based on public comments requesting that the language proposed in subrule 61.13(1) be changed to be consistent with that of 2004 Iowa Acts, House File 2193, the amendment to the last unnumbered paragraph of subrule 61.13(1) now reads as follows:

"The cosmetology curriculum requirement may be satisfied by a total course of study of 2100 clock hours or 70 semester credit hours, and the manicurists' curriculum total course of study may be satisfied by 40 clock hours or 1¾ semester credit hours.

"Proof of curriculum requirements may be submitted to the board either by clock hour or by semester credit hour standard. Semester credit hours or the equivalent thereof shall be determined pursuant to administrative rules and regulations promulgated by the U.S. Department of Education."

## PROFESSIONAL LICENSURE DIVISION[645](cont'd)

The amendment to the catchwords for subrule 61.13(1) has not been adopted.

These amendments were adopted by the Iowa Board of Cosmetology Arts and Sciences Examiners on February 2, 2005.

These amendments will become effective April 6, 2005.

These amendments are intended to implement Iowa Code chapters 147, 157 and 272C.

EDITOR'S NOTE: Pursuant to recommendation of the Administrative Rules Review Committee published in the Iowa Administrative Bulletin, September 10, 1986, the text of these amendments [60.1, 60.2(1), 60.2(3), 60.4 to 60.16, 61.13(1), 62.1(21), 62.1(22), 65.5] is being omitted. With the exception of the changes noted above, these amendments are identical to those published under Notice as **ARC 3815B**, IAB 11/24/04.

[Filed 2/3/05, effective 4/6/05]

[Published 3/2/05]

[For replacement pages for IAC, see IAC Supplement 3/2/05.]

**ARC 4029B****REVENUE DEPARTMENT[701]****Adopted and Filed**

Pursuant to the authority of Iowa Code sections 421.14 and 422.68, the Department of Revenue hereby adopts amendments to Chapter 46, "Withholding," Iowa Administrative Code.

Notice of Intended Action was published in IAB Vol. XXVII; No. 14, p. 922, on January 5, 2005, as **ARC 3920B**.

Items 1 through 4 amend rules 701—46.1(422) through 701—46.4(422) to remove obsolete provisions and clarify existing provisions in these rules. In addition, Item 3 provides for changes in reporting withholding tax due to electronic filing of withholding tax returns and payments that will commence for withholding that occurs on or after January 1, 2005.

Items 5 and 6 amend rules 701—46.6(422) and 701—46.7(422) to clarify existing provisions and make changes relating to departmental reorganization.

Item 7 adopts new rule 701—46.8(260E) to provide for the new jobs credit from withholding, which is provided in Iowa Code section 260E.5.

Item 8 adopts new rule 701—46.9(15) to provide for the supplemental new jobs credit from withholding and the alternative tax credit for housing assistance programs pursuant to Iowa Code sections 15.331 and 15E.196(1).

These amendments are identical to those published under Notice of Intended Action.

These amendments will become effective April 6, 2005, after filing with the Administrative Rules Coordinator and publication in the Iowa Administrative Bulletin.

These amendments are intended to implement Iowa Code chapters 15, 15E, 260E and 422.

EDITOR'S NOTE: Pursuant to recommendation of the Administrative Rules Review Committee published in the Iowa Administrative Bulletin, September 10, 1986, the text of these amendments [46.1 to 46.4, 46.6 to 46.9] is being omitted. These amendments are identical to those published under Notice as **ARC 3920B**, IAB 1/5/05.

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